

# *The* PRODUCER

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No. 2



**JULY 1932**

*Official Organ of the*  
AMERICAN NATIONAL LIVE STOCK  
ASSOCIATION

PUBLISHED MONTHLY

ONE DOLLAR A YEAR

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# CASH for the Nation's Farmers

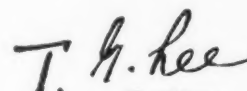
LIVESTOCK is the most important cash crop produced by American farmers. This is particularly true in the northern half of the country, and the farmers in ten typical northern states—Pennsylvania, Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Missouri and Kansas—obtained 77% of their cash income in 1930 from livestock, according to data compiled by the United States Department of Agriculture. The 1931 figures are expected to show about the same result.

The farmers in southern states also obtain a considerable portion of their cash from livestock. The farmers in ten of them which are typical—North Carolina, South Carolina, Georgia, Alabama, Mississippi, Tennessee, Louisiana, Arkansas, Texas and Oklahoma—are

credited in the Department of Agriculture data with receiving 24% of their cash income from the sale of livestock.

In Oklahoma and Tennessee livestock topped all other crops; in the Carolinas, cotton and tobacco were the only crops of greater cash importance than livestock; and in the remaining six, cotton was the only crop that produced more cash than did livestock.

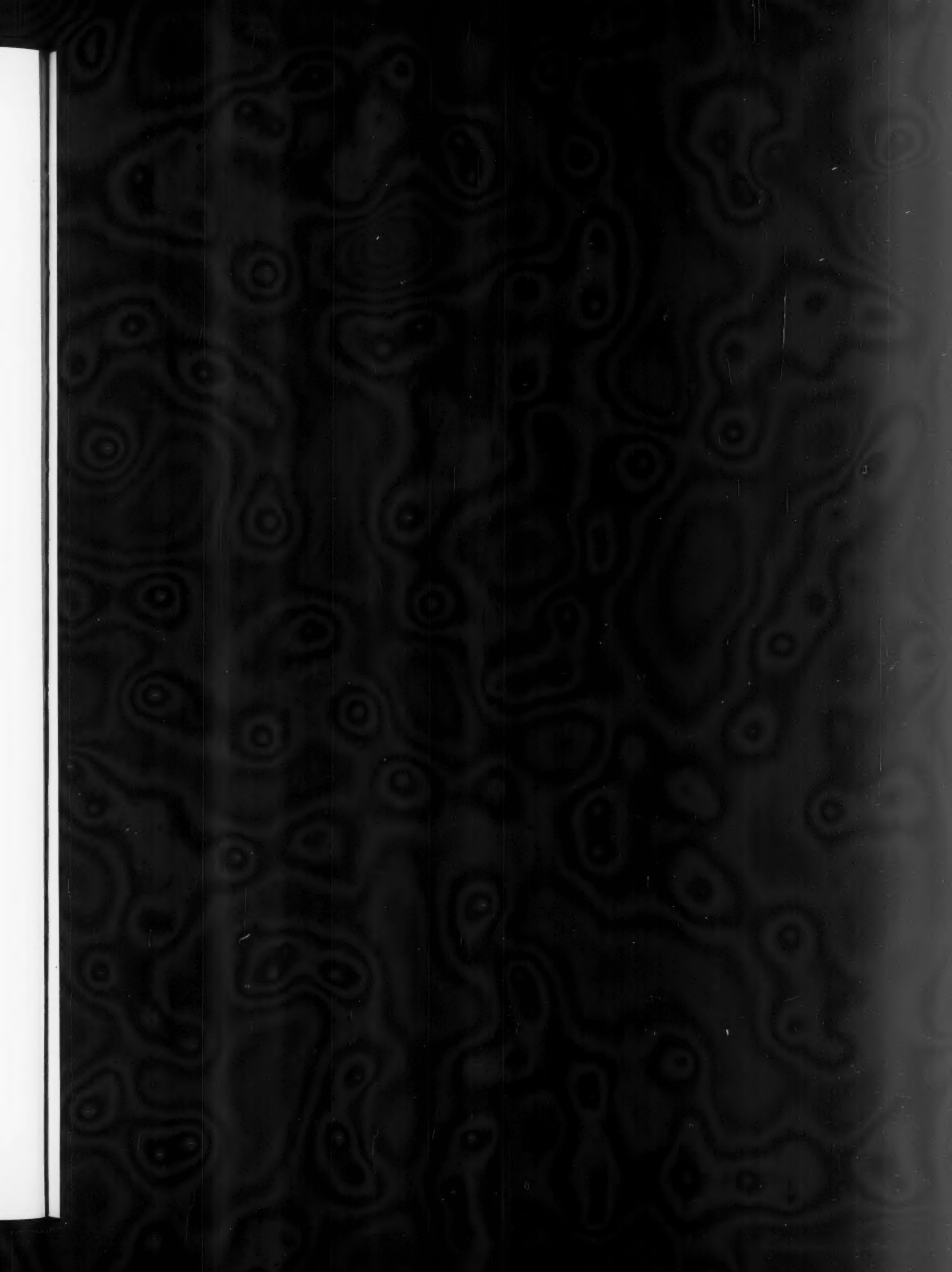
Armour and Company is a very important factor in making livestock the farmers' principal cash crop. Armour and Company buys livestock for cash every business day and helps to keep the meat constantly moving into consumption.

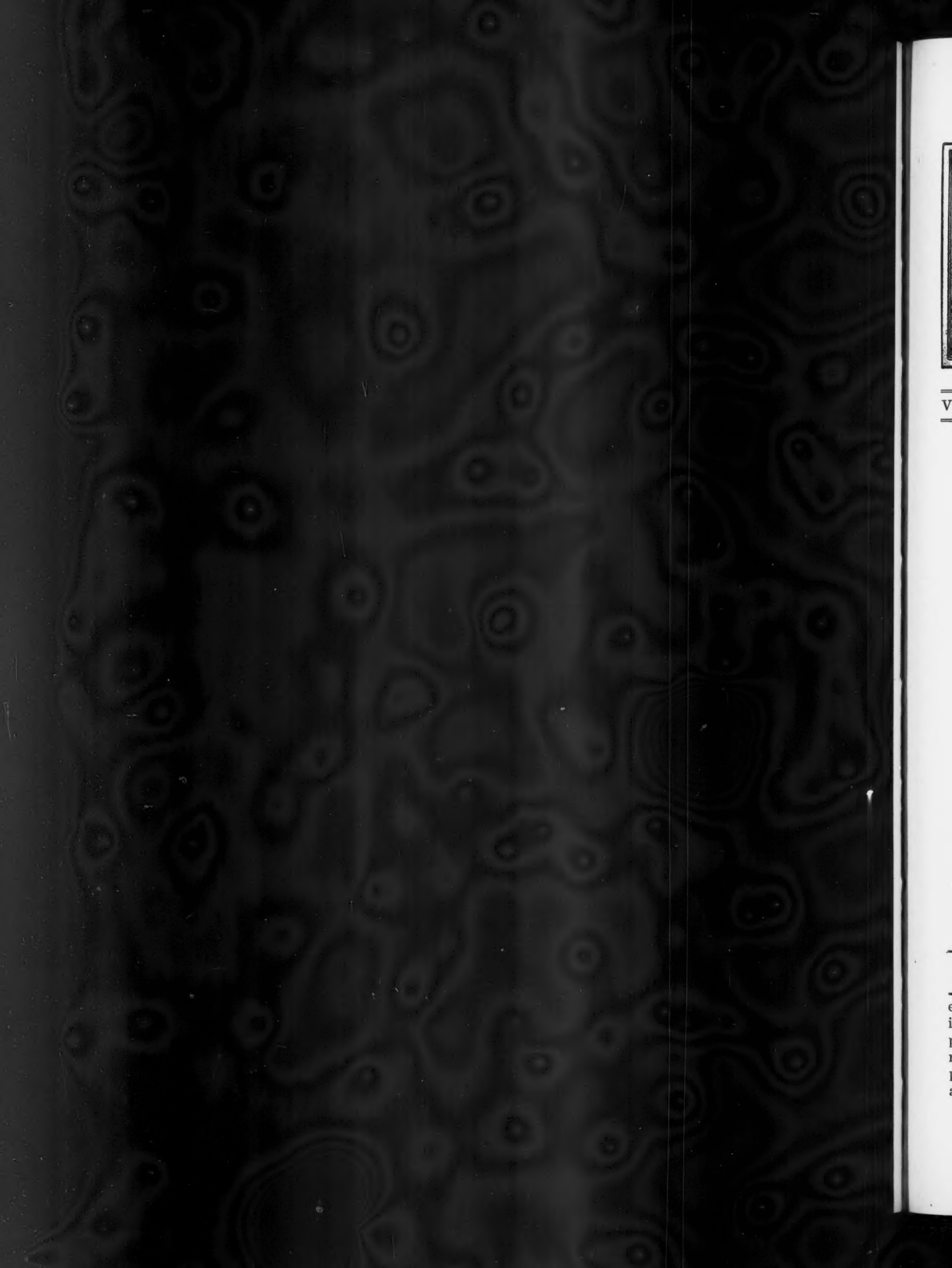
  
President

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# THE PRODUCER

## THE NATIONAL LIVE STOCK MONTHLY

Volume XIV

DENVER, COLORADO, JULY, 1932

Number 2

### Live Stock under the Soviet

BY ROBERT P. LAMONT, JR.

*Larkspur, Colorado*

[Editor's Note.—A few months ago, Robert P. Lamont, Jr., of Larkspur, Colorado, was invited by the government of the Union of Soviet Socialist Republics, which is the new name for Russia, to make a study of live-stock conditions in that country and submit recommendations concerning the development of the industry along rational and progressive lines, with a possible view to assuming the position of official adviser to the administration for a given period. Accordingly, Mr. Lamont this spring spent several weeks in Russia looking over the ground, at the end of which he presented his report to the Soviet authorities. On his return to the United States he gave out his observations and impressions in a statement copyrighted by the North American Newspaper Alliance, which, with permission, we are reproducing herewith.]

Mr. Lamont, who is a son of the Secretary of Commerce, is himself a breeder of purebred Herefords on a large scale at Perry Park Ranch, in the foothills of the Rockies. His cattle have been among the leading prize-winners at western stock shows for a decade past. He is a former president of the American Hereford Cattle Breeders' Association, at present heads the Western Hereford Cattle Breeders' Association, and until his trip into Russia was president of the National Western Stock Show at Denver. He is a member of the Executive Committee of the American National Live Stock Association.]

**R**APID EXPANSION OF THE LIVE-STOCK industry is one of the major projects of the current Soviet program. Everyone in the government, from Stalin down, appears vitally interested in the plan, which contemplates an increase in meat production to a point which will provide for an annual per-capita consumption of 100 pounds. This is probably four or five times the present consumption, and about two-thirds that of the United States.

Meat in Russia has always been more or less of a

luxury. During the war and revolution, live-stock supplies were considerably reduced, and the subsequent rapid increase in population has added to the shortage. During the last two or three years census figures show a considerable increase in live-stock numbers,\* but there has apparently been little or no improvement in quality, and the productive efficiency of the herds remains extremely low.

The chief difficulties the government has to face are a lack of gold with which to buy improved breeding stock and a lack of experienced men to handle the stock farms. On the other hand, Russia's natural facilities for live-stock production are excellent.

#### Caucasus Ideal Cattle Country

My personal observations of the country were confined largely to the Caucasus, because during March and April the northern districts are a sea of mud, and transportation is out of the question. Even when there is no mud to contend with, traveling is not luxurious; but the hardships are counterbalanced by the fascination of the country.

Food of one kind or another is usually abundant. In one large river we found a tribe of super-trout

\* The live-stock population of the Soviet Republics (comprising all of European and Asiatic Russia, inclusive of the Caucasian states) for the year 1931 is given by Mr. Lamont as below:

Horses .....	21,000,000
Cattle .....	60,000,000
Sheep .....	125,000,000
Swine .....	19,800,000

Figures for 1930 issued by the International Institute of Agriculture at Rome, and presumably official, were: cattle, 52,095,000; sheep and goats, 113,171,000; swine, 13,332,000.

which run up to forty and fifty pounds, and which have apparently never been fished for. They are taken with traps and spears, and the spectacle raised my fishing blood to the boiling point.

Western Caucasus is mountainous and an ideal cow country. It is very much like northern New Mexico, but with double the rainfall. Like all Russia,



CATTLE IN THE CAUCASUS

it is completely unfenced. The cattle and sheep are driven to pasture in the morning and returned to the villages at night, and must be constantly guarded against wolves.

#### Poor Quality of Live Stock

The quality of the stock is exceedingly poor. Some little improved stock has been brought in from Europe and South America, but thus far the surface has hardly been scratched. The Russians themselves feel that North American cattle are the most suitable for development in this region, and it seems exceedingly unfortunate that trade relations between the United States and Russia are at present so unsatisfactory that our breeders are being deprived of this vast market.

There is no doubt that, if some of the existing difficulties could be ironed out, we could be assured of a profitable market for our surplus breeding stock for many years. Russia wants credit, and she wants the right to trade on the same basis as any other power. She wants credit largely because she is not disposed to pay for her purchases with her exportable commodities at current price-levels, and also because she is a growing concern and wants to pay her bills out of earnings rather than out of capital.

#### Russian Institutions No Concern of Ours

So far as Russia is concerned, the main fault with American thought today is that we insist on regarding from an emotional angle what is, after all, purely a business proposition. The essential point for us is that Russia is probably the world's greatest market,

and we need a market. Her politics, religion, and morals are none of our business.

Whether we like it or not, Russia is a communist state, and is going to stay that way for some time. She is far too busy working out her own salvation to be seriously concerned with the manifestations of communism outside her own boundaries. And no one who has been in Russia can take very seriously Russian production as a menace to world trade.

With her rapidly increasing population, now numbering 160,000,000, and the difficulties she is encountering because of the lack of trained workers, Russia will do well if she raises production to a point which will take care of her own needs within the next twenty years. And whether she constitutes a menace or not, political or economic, the simple fact remains that we cannot change the course of events one iota by our present attitude.

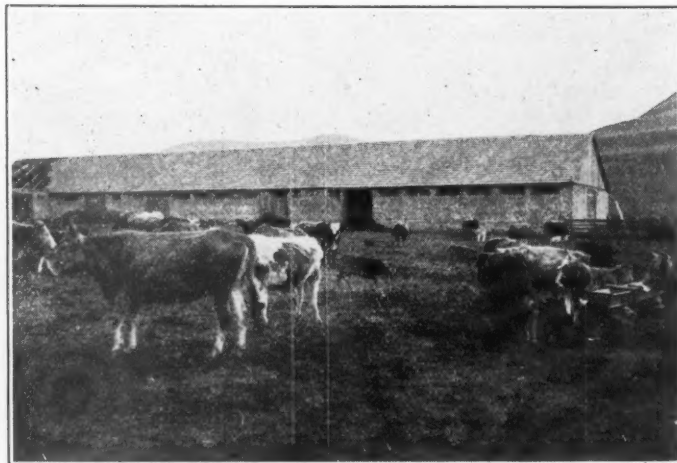
It would seem, therefore, much more sensible to try to take advantage of the undoubted possibilities which now exist, and to stop worrying about a future which we can in no way control. At a time when we are suffering from an overproduction of almost everything, a country which offers a vast market, and which has never yet repudiated a debt of its own, would seem worthy of a little more serious attention from business men and a little less interference from politics.

\* \* \*

[To the above article Mr. Lamont has added the following supplementary notes:]

#### Stock Being Improved by Importations

Some progress has been made in sheep-breeding by the importation of Merinos and Rambouillets to



TYPES OF RUSSIAN CATTLE

cross on the native ewes, which are hardy and well adapted to local conditions, but poor producers of both mutton and wool.\* Although Russia has at

\* Up to the end of 1930 Russia had imported around 150,000 head of purebred sheep, over half of which were German Merinos. About 10,000 head of Rambouillets have been imported from the United States.



present nearly twice our sheep population, she produces less wool than we do.

In the case of cattle, limited importations have been made of sires of most of the prominent beef and dairy breeds. Herefords from South America are being used on the large beef ranches of the northern Caucasus, and there is a sprinkling of Milking Shorthorns in the Ukraine. Dairy cattle in considerable numbers are being brought in from Germany, and in the central Caucasus there is a tendency to specialize in Brown Swiss. These latter seem to do very well and make a satisfactory cross on the native cows, which are all colors of the rainbow and very small.

Russia's hog population of around twenty million is totally inadequate to her needs, and strenuous efforts are being made to increase both numbers and quality. They are concentrating—very wisely, I think—on a large-type Yorkshire, which they are importing mostly from Denmark.

#### Russians Excel in Horsemanship

Many Russians are splendid horsemen, and the horse is the one variety of live stock about which they have little to learn. Their draft-horses are not particularly imposing, but their light horses, both saddle and carriage, are excellent. They have a great many very fine English and French Thoroughbreds, as well as natives of exceptional quality. In the central Caucasus the Kabardine horses have been bred pure for centuries, and have developed a type which seemed to me far superior to the Arab and, for general utility, ahead of the Thoroughbred.

\* \* \*

[From news dispatches we further cull these excerpts:]

#### Lack of Trade Agreement with United States

Interviewed in Washington on his return from Soviet Russia, Robert P. Lamont, Jr., expressed the hope that trade arrangements between the United States and Russia would be effected at once. Otherwise a lucrative cattle trade with this country will be lost.

Russia needs better cattle, and these America has to supply, Mr. Lamont said. South America has the call on Russia's cattle trade at present. Russia's herds are about on a par with those of our own West fifty years ago. "But they are determined to improve them, and I think they will. Russia has good ranges, and will probably learn proper feeding methods. Their cattle-raising industry has a promising future, I believe."

Russia, Mr. Lamont declared, seems to be doing business with every important commercial nation of the world except the United States. "Her purchases from us have dropped from \$150,000,000 annually to \$30,000,000, and in a few years she will probably

be buying little, if anything, from this country. I believe, with encouragement, she might spend as much as \$300,000,000 annually in the United States."

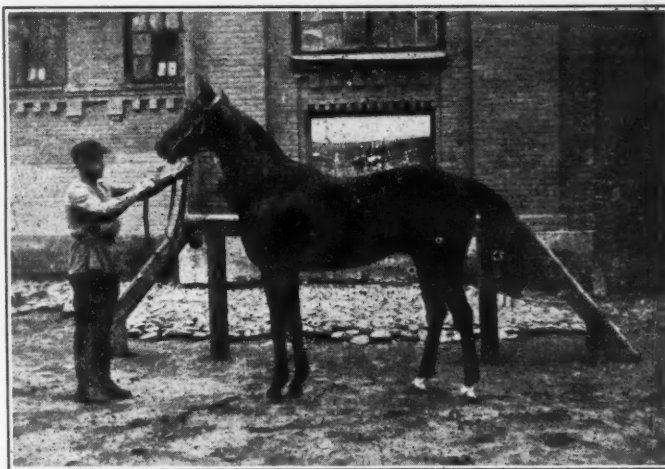
\* \* \*

[And this from a talk before the Denver Chamber of Commerce, as reported in the local press:]

#### Absence of Official Relations Hurting Both Countries

"An order for 1,000 locomotives from the Soviet government today would do more to relieve unemployment in this country than all the proposed bond issues and dole plans.

"Stupid misunderstandings have been built up between this country and Russia, and, while we



MANY RUSSIAN HORSES ARE OF EXCELLENT BREEDING

quibble about policies, they are taking their business elsewhere. They are a proud people, and they resent our position. Russia needs the materials we produce. Their country is a large one, and their problems are similar to those in America.

"Forced labor, which has been rumored, is a myth. Russia's labor turn-over is the largest in the world, for the simple reason that the workmen over there do not stay on the job.

"As to the communism which we fear, Russia has no idea of exploiting a world-wide revolution. Besides, communism is not a thing you can stamp out simply by refusing to trade with a country.

"There are eight or ten men at the head of the government—as able and intelligent citizens as I have ever seen. These men are honest and energetic. There is no reason for them to be grafters.

"Russia is a business proposition, and we ought to take advantage of the vast market it offers."

#### Russian Peasants to Sell More Meat

A decree has been issued by the Soviet authorities reducing government purchases of meat from 1,400,000 to 700,000 tons, thus leaving a larger proportion to be sold by the peasants for profit.

## NATIONAL PLATFORMS

**I**N CONFORMITY WITH ITS CUSTOM OF PREVIOUS presidential election years, THE PRODUCER herewith presents, in briefest possible summary, those planks in the platforms of the two leading parties, as adopted at the national conventions in Chicago last month, which have a bearing, direct or indirect, upon problems of particular concern to the stockman:

## REPUBLICAN

## DEMOCRATIC

## Unemployment and Relief

Problem one of state and local responsibility; opposes granting of private charity by federal government; emergency loans to states for unemployment relief.

Unemployment and old-age insurance under state law; extension of federal credit to states; expansion of federal program of construction.

## Public Economy

Restoration of financial stability through balancing of national, state, and municipal budgets; reorganization of government bureaus.

Drastic reduction of expenditures by abolishing useless offices, consolidating bureaus, and eliminating extravagance.

## Tariff

Commendation of Hawley-Smoot Tariff Act; increased duties on products affected by currency depreciation abroad; extension of tariff protection to products of farms, forests, mines, and oil wells; indorses flexible tariff.

Denunciation of Hawley-Smoot Tariff Act; competitive tariff for revenue; reciprocal tariff agreements with other nations; international economic conference to restore trade.

## Agriculture

Indorsement of Farm Board and of co-operative principle; tariff high enough to place agriculture on equality with industry; revision of taxes; support of any plan that will help in balancing production with demand.

Condemnation of extravagance of Farm Board and its action in making government a speculator in farm products; better financing of farm mortgages; development of co-operative movement; control of crop surpluses; enactment of measures to aid in securing prices in excess of cost of production.

## Currency

Maintenance of gold standard; condemns inflation; participation in international monetary conference.

Sound currency; international monetary conference to consider rehabilitation of silver.

## Banks and Banking

Revision of banking laws; creation of home loan banks to encourage home ownership; protection of depositors.

Quicker methods for realizing on assets of suspended banks; more rigid supervision of national banks.

## Government in Business

Silent.

Removal of government from all fields of private enterprise, except where necessary to develop public works and natural resources.

## Conservation

Conservation of all natural resources, including oil.

Development of nation's water power in public interest.

## Public Utilities

Supervision, regulation, and control of interstate utilities.

Federal control of utilities operating across state lines.

## Transportation

Development of merchant marine; co-ordination of rail, highway, and air transportation, so all shall operate on equal basis; restoration of credit of railroads.

Silent.

## Highways

Federal co-operation with states to be continued.

Silent.

## St. Lawrence Waterway

Indorsement.

Indorsement.

## Prohibition

Enforcement of Eighteenth Amendment while part of Constitution, but giving states opportunity, through its re-submission, to deal with problem as their citizens wish, subject to power of federal government to protect such states as vote to retain prohibition, and to safeguard people everywhere against return of saloon; state conventions to be truly representative and to be called for that purpose alone.

Repeal of Eighteenth Amendment by representative state conventions; enactment of measures by states to promote temperance, prevent return of saloon, and bring liquor traffic into open under complete supervision of states; federal government to co-operate with states choosing to remain dry in protecting themselves against importation of liquor; immediate modification of Volstead Act to legalize beer and other beverages of low alcoholic content.

## Labor

High wages; shorter work day and week; collective bargaining.

Reduction of hours of labor.

## War Veterans

Indorsement of principle of compensation for those disabled; no mention of bonus.

Compensation for disabled soldiers; no mention of bonus.

## Immigration Laws

Should be retained.

Silent.

## Negro

Equal opportunity and rights.

Silent.

## Armaments

Commends participation in Geneva disarmament conference, but insists that American navy be kept on parity with any other; United States army has reached irreducible minimum; advocates international co-operation; would eliminate war as resort of national policy.

An army and navy adequate for national defense; international agreement for reduction of armaments; indorses Paris pact abolishing war as instrument of national policy; consultation in case of threatened violation of treaties.

## World Court

Recommends adherence.

Recommends adherence.

## International Debts

Silent.

Opposes cancellation.

## Philippine Independence

Silent.

Favors independence.

## VITALITY OF FOOT-AND-MOUTH DISEASE GERM

**A** PROGRESS REPORT OF THE BRITISH FOOT-AND-MOUTH Disease Research Committee contains data on the resistance of the virus to freezing and pickling. Repeated freezing and thawing, it is stated, has little or no effect on the activity of the germ. In order to test its vitality in meat under normal cold-storage conditions, the committee had ten cattle artificially infected with the disease. When at the most infectious stage, the cattle were slaughtered and the carcasses dressed, and stored at a chilling or freezing temperature. After being held for several weeks, the virus was still found capable of infecting animals.

Other experiments showed that parts of a carcass may still be infective after remaining in pickling solutions (salt) up to forty-nine days.



## OREGON STOCKMEN MEET AT BURNS

WORDS OF PRAISE OF AN UNUSUALLY ATTRACTIVE program and a highly interesting meeting were heard on all sides as the nineteenth annual convention of the Cattle and Horse Raisers' Association of Oregon, held at Burns May 27 and 28, 1932, came to a close. The attendance, too, was surprisingly large, considering the hard times.

The national tendency toward younger and better cattle was one of the subjects receiving most attention. Matters of finance were discussed, and steps were taken for the formation of a credit corporation to serve the eastern part of the state. Transportation problems, and what to do with the public lands, were other topics taken up. Announcement was made during the session of substantial reductions in marketing charges at North Portland.

President Herman Oliver, in his annual address, stressed the necessity of building up a sufficient reserve of hay to carry stockmen through such a hard winter as the last. He believed in flexible commission and yardage charges, moving up or down with the general level of live-stock prices. On the question of oleomargarine, he said that stockmen did not oppose a tax on products made from vegetable oils, but did object strenuously to taxing margarines in which one of the ingredients was beef fats. He urged liberal support of the American National Live Stock Association to fight the national battles.

Following the president, C. L. Jamison, secretary-treasurer, presented his report for the past year; after which addresses were given by Miss Claribel Nye, state leader of home economics extension, Corvallis; A. E. Lawson, manager of the Union Stock Yards at Spokane, Wash.; and Frank Ballard, of Corvallis. The afternoon's speakers were: Dr. W. A. Schoenfeld, director of experiment stations and dean of agriculture, and Professor E. L. Potter, head of the Animal Husbandry Department, Oregon State Agricultural College; Harvey A. Lounsbury, general freight agent, Oregon-Washington Railroad and Navigation Company; E. N. Kavanagh, assistant district forester, Portland; Hector G. McDonald, secretary of the Washington State Cattle and Horse Raisers' Association, Pullman, Wash.; F. A. Phillips, president of the Oregon Wool Growers' Association, Keating; Dr. W. H. Lytle, state veterinarian, Salem; and Herbert Chandler, Hereford breeder, Baker.

On Saturday, May 28, the list of speakers was headed by R. L. Clark, secretary of the North Portland Live Stock Exchange, who was followed by D. E. Richards, superintendent of the Union Experiment Station; Clyde Spooner, secretary of the Oregon Motor Freight Association, Portland; W. S. Boyer, of the Department of the Interior, Portland; O. M. Plummer, general manager of the Pacific International Live Stock Exposition, Portland; and A. A. Smith, attorney, Baker. The afternoon's program included talks by W. E. Meyer, manager of the Intermediate Credit Bank, Spokane; Professor E. F. Rinehart, extension specialist, Boise, Idaho; C. H. Henderson, secretary of the Southern Oregon Cattlemen's Association, Klamath Falls; and F. E. Palmer, extension director, Washington State College, Pullman.

A banquet was tendered to the visiting stockmen in the evening, presided over by O. M. Plummer.

Resolutions adopted expressed these sentiments:

Requesting appointment of standing committee to determine most effective way of lowering taxes;

Commending work of state police as a crime-preventive agency;

Asking that marketing charges be reduced in line with what producers receive for their product;

Urging caution in recommending paroles to live-stock thieves;

Indorsing House Bill No. 11816 (Colton bill, reviewed in June PRODUCER) for dealing with public domain;

Protesting against any taxation whatever of oleomargarine made from beef suet and domestic oils;

Requesting Bureau of Animal Industry to continue testing of dairy cattle for tuberculosis until as free from disease as range cattle, and that no attempt be made to impose ruinous expense on range cattlemen by subjecting their herds to tuberculin test;

Opposing attempt to change law increasing interest rate on delinquent taxes;

Commending work of Dr. W. H. Lytle, state veterinarian, and his field deputies, in enforcing "gasoline cowboy" act;

Thanking Professor E. L. Potter for valuable studies in interest of live-stock producers;

Commending Secretary of Agriculture for reducing grazing fees on national forests for current year, and asking owners of private lands to make similar reductions;

Asking that bag limit on deer be increased and open season on elk declared where range is crowded beyond capacity to sustain;

Requesting that Burns Experiment Station undertake investigation of least expensive wintering ration and best types of dry-land grasses on high plateau of southeastern Oregon;

Appealing to government agencies having to do with financing live-stock industry to provide every part of state with sufficient funds.

All the officers were honored by re-election for another term: Herman Oliver, of John Day, president; W. G. Snyder, of Paisley, first vice-president; Wayne Stewart, of Dayville, second vice-president; and C. L. Jamison, of Canyon City, secretary-treasurer. The city of Union was chosen as the place for next year's meeting.

## CONVENTION OF WYOMING ASSOCIATION

A LARGE ATTENDANCE AND AN INTEREST THAT never flagged throughout the three-day session marked the sixtieth annual meeting of the Wyoming Stock Growers' Association at Green River, in the southwestern corner of the state, on June 7-9, 1932. All the problems at present agitating the industry were given recognition on the program. The need of economy and greater efficiency in government affairs, local as well as national, was emphasized. The matter of tuberculin-testing of range cattle received notice. Lower taxes were urged. The work of the inspection service maintained by the state was reviewed, and the announcement was made that during the past year the service had been extended to the Ogden, Salt Lake City, and Portland markets, as well as to the principal auction sale-yards in Nebraska. This elaborate system of inspection now makes it very difficult for rustlers to get cattle out of the country without being caught. A multitude of other problems were dealt with at length.

Invitations to be present had been extended to Senators Kendrick and Carey, as well as to Representative Carter, all of whom would feel at home where stockmen foregather; but their duties at Washington prevented their coming.

The sessions were presided over by President J. Elmer Brock, who, after Secretary Russell Thorp, Treasurer George Mitchell, and the inspectors at the various markets had submitted their reports, launched out upon his annual address, which presented a comprehensive review of the obstacles, past and present, in the path of the live-stock producer. Most of the resolutions adopted were based upon recommendations made by Mr. Brock in the course of his speech. He was followed by Charles D. Carey, first vice-president of the American National Live Stock Association and chairman of the National Live Stock and Meat Board, who declared that cattlemen, if they are to make their indus-

try pay dividends, must follow the example of other business men in advertising their wares.

In the afternoon of the first day the speakers were: J. H. DeVine, president of the Ogden Union Stock Yards Company; Dr. H. D. Port, state veterinarian, whose subject was "Live-Stock Sanitary Conditions in Wyoming and Tuberculosis Regulations;" Perry W. Jenkins, of Big Piney, Wyoming's representative on the President's Committee on the Conservation and Administration of the Public Domain, who said that the mineral resources of the public domain alone could easily support the state's population and administer all departments of its government without federal aid; and E. V. Roberts, of Cody, who emphasized the necessity for cutting down government expenses. In the evening there was dancing at Island Park.

Wednesday, June 8, Thomas Cooper, president of the Wyoming Wool Growers' Association, and the first sheepman ever to be invited to speak before Wyoming cattlemen, urged co-operation between the two branches of the industry in having the public lands returned to the state. Following his address, a public-lands committee was appointed. John Clay, live-stock commission man of Chicago and the sixth president of the organization (away back in 1890-96), thereupon addressed the meeting. Dr. A. F. Vass, professor of agronomy at the University of Wyoming, discussed distribution costs and contract feeding. J. M. Macfarlane, president of the Utah Cattle and Horse Growers' Association, spoke on "The Future of the Cattle Industry."

The afternoon's speakers were: A. H. Marble, president of the Stock Growers' National Bank of Cheyenne; Will Wood and Fred Taylor, representing the Omaha Live Stock Exchange; W. C. Wolcott, superintendent of the Union Pacific Railroad Company at Cheyenne; and Frank Cone, superintendent of the Chicago, Burlington & Quincy Railroad at Sheridan. The day ended with a banquet.

On the last day, ex-Governor F. Chatterton, chairman of the State Board of Equalization, spoke on "Taxation and Economy." T. S. Taliaferro, Jr., representing the State Taxpayers' League, also discussed taxation. The afternoon was given over to the report of the Committee on Resolutions and the election of officers. The convention closed with a barbecue.

Below is a summary of resolutions adopted:

Urging that privilege of changing ownership of live stock in transit at through rate be extended to all markets; Indorsing collection by commission firms at market centers of 25 cents per car of live-stock shipments to meet expenses in continuing and extending work of National Live Stock and Meat Board;

Petitioning Congress to pass act transferring remaining public domain to states in fee simple, and recommending policy of exchange of public lands chiefly valuable for forestry purposes for lands within national forests chiefly valuable for grazing;

Commending Dr. John R. Mohler, chief of Bureau of Animal Industry, for increasing vigilance in preventing foot-and-mouth disease from gaining foothold in United States, and urging that cattle, dressed beef, and other products from South America be refused entry so long as disease exists there;

Thanking Dr. Mohler for postponement of rule requiring that no range cattle not tuberculin-tested or coming from accredited areas be shipped into accredited areas for feeding purposes after July 1, 1934, but resenting action of employees of Bureau of Animal Industry in attempting to compel range-men to have their cattle tested;

Opposing present methods of accrediting range cattle, and urging Bureau of Animal Industry to expedite study of packing-house records in order to determine prevalence or absence of tuberculosis in range herds;

Indorsing Kleberg bill providing for tax of 10 cents a pound on all oleomargarine not made entirely from domestic fats and oils;

Urging that Federal Farm Board be abolished, and that tariff be put on farm products commensurate with that on manufactured goods;

Recommending that agricultural extension department of county agents and home demonstrators in Wyoming be abolished, and that like action be taken with respect to National Agricultural Extension Department.

J. Elmer Brock, of Kaycee, was unanimously re-elected president. The same honor was extended to D. R. Whitaker, of Cheyenne, vice-president, and Russell Thorp, of Cheyenne, secretary. Laramie will entertain the convention in 1933.

## SOUTH DAKOTA CONVENTION

CLOSE TO THREE HUNDRED ACTIVE STOCKMEN, and others affiliated with some branch of the industry, were present at the forty-first annual convention of the Western South Dakota Stock Growers' Association, held in Rapid City on June 13 and 14, 1932, and admitted by common agreement to have been the best meeting in years. No artificial optimism was in evidence, but a determination to look facts in the face with courage and good humor.

Among the subjects discussed, the problem of tuberculosis eradication as applied to range cattle received a major share of the attention, and the association placed itself solidly behind the principles expressed by the American National Live Stock Association in the resolution adopted at San Antonio last winter. The Kleberg bill for taxing oleomargarine not made entirely from domestic products was indorsed. The chief of the Bureau of Animal Industry was urged to continue his good work in protecting the herds of the United States against introduction of foot-and-mouth disease. Action was taken to limit inspectors' notices of strays in future to paid-up members of the association, thus putting a stop to the abuse of accepting the benefits without assuming any of the responsibilities.

Mayor Eugene L. Bangs of Rapid City welcomed the stockmen. Responses were made by B. H. Heide, manager of the International Live Stock Exposition, Chicago, and J. E. Monkman, of the South St. Paul Live Stock Exchange. H. E. Dickinson, of the Chicago & Northwestern, was the first formal speaker, discussing the work done by carriers to help stock-growers get better prices for their products. He was followed by Evan W. Hall, of the Chicago, Burlington & St. Paul, who also told of the aid rendered stockmen by the railroads. Relations of the banks with the live-stock interests of western South Dakota were set forth by Robert Driscoll, of Minnesota. Charles McCumsey, of the Federal Intermediate Credit Bank of Omaha, discussed finances.

On the second day, Dr. R. S. Robinson, in dealing with the tuberculosis situation, thought it would be for the best interests of the stockmen to have their range cattle tested, but was of the opinion that packing-house findings would be a valuable guide. State Sheriff R. A. Barnes spoke on live-stock protection. L. G. Troth addressed the convention on "Future Policies for South Dakota Agriculture." Major E. N. Wentworth, director of Armour's Live Stock Bureau, Chicago, under the caption "What of the Packer?" took up the common problems of stockmen and packers, and described what had been done by the latter to better conditions in the industry. Reuben Potter and G. E. Wilkinson talked briefly on subjects connected with the improvement of conditions in that section of the country. The last speaker on the program was F. E. Mollin, secretary of the American National Live Stock Association, who discussed questions of wider concern to the industry and pleaded for united support of the agency which looks after national matters.



In the evening of June 13, a banquet was tendered the guests by the Rapid City Chamber of Commerce; Tom Berry, candidate for governor, acting as toastmaster. Episodes from the early days were related by a number of old-timers.

Resolutions were passed—

Urging attorney general of state to continue co-operation in meting out proper punishment to stock-rustlers;

Reiterating opposition of association to plan of testing range cattle for tuberculosis now in effect, asking Bureau of Animal Industry to expedite study of packing-house records, and commending Dr. John R. Mohler for recent action in postponing indefinitely effective date of order restricting movement of cattle from non-accredited areas unless tuberculin-tested;

Expressing appreciation of vigilance of Dr. Mohler in preventing foot-and-mouth disease from gaining foothold in United States, and urging that cattle, dressed beef, and other products from South America be refused entry so long as disease is known to exist there;

Indorsing Kleberg bill putting tax of 10 cents a pound on all oleomargarine not made wholly from domestic fats and oils;

Thanking State Sheriff Barnes for fine work in minimizing theft of live stock.

All officers were re-elected: Tom Jones, of Midland, president; John Nason, of Spearfish, vice-president; and Queena Stewart, of Buffalo Gap, secretary-treasurer.

### NEBRASKA STOCK GROWERS CONVENE

THE FORTY-SECOND ANNUAL CONVENTION OF the Nebraska Stock Growers' Association, held at Scottsbluff, June 16-18, 1932, was well attended and, from every point of view, a decided success. Among the high lights of the proceedings were the questions of contract feeding and of financing the western producer and feeder. Testing of range cattle for tuberculosis was another subject in which the audience was greatly interested. During the meeting a conference was held with Dr. Herman Busman, representative of the Bureau of Animal Industry, with regard to examination of slaughter-house records for the purpose of determining the presence or absence of tuberculosis in western herds. Lower taxes and transportation costs, tariff rates high enough to give full protection to the industry, and brand registration were other topics getting much attention.

Thursday, the first day, was given over to meetings of the Executive Committee and to entertainment. When the convention proper opened on Friday morning, with President Robert Graham in the chair, the delegates and visitors were welcomed to the city by Mayor A. T. Howard. Response was made by Secretary F. M. Broome. Following these preliminaries, Mr. Graham delivered his presidential address, telling the stockmen that the primary object in forming the association had been mutual protection against cattle-rustlers, while its chief purpose at present is the safeguarding of property rights. In reviewing the activities of the association, he emphasized the value of its brand-inspection service. He then called upon S. P. Delatour, one of the charter members of the organization; Russell Thorp, secretary of the Wyoming Stock Growers' Association; and Dr. B. F. Davis, secretary of the Colorado Stock Growers' and Feeders' Association, who made brief remarks.

Next, F. E. Mollin, secretary of the American National Live Stock Association, discussing the subject of the testing of range cattle for tuberculosis, said that, from recent figures published by the Bureau of Animal Industry, first tests in range states, of range and dairy cattle combined, showed practically the same degree of infection as retests in fully

accredited states. On railroad rates, he maintained that an effort should be made to equalize charges with the value of commodities carried. The National Association, he declared, had been active in endeavoring to secure reductions, employing a well-known traffic expert for that purpose. Dr. H. L. Fiestner, chief of the State Bureau of Animal Industry, detailed the activities of his bureau in the eradication of live-stock diseases.

In the afternoon, John T. Caine, III, western representative of the Chicago Union Stock Yards, speaking on the subject of the "Cattle Market, Present and Future," said that there was no present excess of meat, but a decline in purchasing power had depressed prices and reduced consumption. He predicted a slightly stronger market during the summer months. F. M. Simpson, director of the Commercial Research Department of Swift & Co., discussed modern methods of marketing fresh meats, demonstrating the quick-freezing system. Professor H. J. Gramlich, of the Animal Husbandry Department of the University of Nebraska, urged support of the National Live Stock and Meat Board. Results of five years' experiments in wintering calves were related by E. M. Brouse, superintendent of the State University Experiment Station. Frank A. Kemp, district manager of the Great Western Sugar Company, spoke on "Feeding Facts and Possibilities." John B. Cook, manager of the Scottsbluff Packing House Company, urged the use of western Nebraska beef as a means of helping the home section. Edward N. Wentworth, director of Armour's Live Stock Bureau, Chicago, whose subject was "Current Competition of Other Meats with Beef," explained briefly the manner in which packers determine the price they pay for live stock, declaring that they must seek their principal outlet in places where reserve buying power is centered. O. O. Waggener, live-stock agent for the Burlington Railroad at Denver, reviewed the terms of various feeding contracts.

In the evening the delegates with their ladies were entertained by a banquet and dance arranged by the Scottsbluff Chamber of Commerce.

Saturday, June 18, opened with symposiums on live-stock marketing and transportation, in which representatives of the Omaha, Denver, Kansas City, and Sioux City exchanges, and of the principal railway lines serving the territory, took part. Andrew Kopperud, manager of the Federal Intermediate Credit Bank at Omaha, followed with a talk on "How the Intermediate Credit Banks Function in Relation to the Cattle Industry."

The feature of the afternoon session was an address by Congressman Robert G. Simmons, broadcast from Washington. He affirmed his opposition to tuberculin-testing of range cattle, taking the ground that, before eradication measures are undertaken, there should be evidence of actual infection in appreciable amount. Benefits of the Smoot-Hawley Tariff Act, he asserted, were evidenced by greatly reduced imports of cattle and by the margin maintained at United States live-stock markets over those of other countries.

Following Mr. Simmons, John Robb, chief brand inspector at Omaha, and E. A. Hall, chairman of the Committee on Local Protective Service, reported.

The ensuing resolutions were thereupon submitted and passed:

Urging that privilege of changing ownership of live stock in transit without losing benefit of through rates be extended to all markets;

Supporting Kleberg bill for taxing oleomargarine not made entirely from domestic oils and fats;

Expressing disappointment at refusal of Supreme Court to grant big packers right to deal in food products other

than meat, and asking Attorney General of United States to exercise his efforts to secure modification of Consent Decree;

Requesting that presence or absence of tuberculosis in range herds be determined through slaughter-house records rather than through tuberculin-testing, in line with resolution passed by American National Live Stock Association at San Antonio, and thanking Dr. John R. Mohler for postponing effective date of orders restricting movement of range cattle into accredited areas;

Recognizing invaluable service rendered live-stock industry by Senators Kendrick and Carey, of Wyoming, and Representative Simmons, of Nebraska, in being instrumental in securing postponement of above-mentioned orders and inaugurating study of slaughter-house records;

Appreciating unceasing vigilance of Dr. John R. Mohler in doing everything possible to prevent foot-and-mouth disease from gaining foothold in United States, and urging that cattle, dressed beef, and other products be refused entry so long as disease is known to exist in country of origin;

Deploing evils of hoarding and recommending that national legislation be passed for insuring bank deposits;

Appreciating co-operation of commission companies in collecting 25 cents per car for work of National Live Stock and Meat Board;

Indorsing activities of National Live Stock and Meat Board in popularizing meat and increasing its consumption.

An amendment to the report of the Resolutions Committee was offered by A. R. Modisett, and adopted, indorsing government grading and stamping of beef, and recommending that the system be continued and extended.

Robert Graham, of Alliance, was re-elected president; A. R. Modisett, of Rushville, vice-president; and Frank M. Broome, of Alliance, secretary-treasurer. It was determined to go to Valentine for next year's convention.

## ANNUAL MEETING OF MEAT BOARD

**T**HE ANNUAL MEETING OF THE NATIONAL LIVE Stock and Meat Board was held at Chicago, June 23 and 24, 1932. Full reports of the board's activities were made by Manager R. C. Pollock and his assistants in the various departments—Home Economics, Publicity, and Demonstration Work.

### Research

Dr. C. Robert Moulton, of the National Research Council, contributed a very interesting talk, giving the result of studies made at the University of Minnesota on "The Value of Certain Constituents of Lard in the Diet," and at the University of Virginia on "The Effect of High-Protein Diets on the Kidneys." The latter study is being done under the direction of Dr. Alfred Chanutin, who sums up the results thus far obtained by stating that he feels quite certain that the edible meat products in common use are not damaging to the kidneys.

A most informative address on "Meat in the Diet for Growth, Reproduction, Lactation, Hemoglobin Formation" was made by Dr. Pearl Swanson, of Iowa State College. Test rats were exhibited to show the improved condition and weight acquired by the beef-fed rats as compared with those on grain and dairy-product rations.

The year's work in "Co-operative Meat Investigations" was outlined by E. W. Sheets, chief of the Animal Husbandry Division of the Bureau of Animal Industry. This work is sponsored by the board, with the co-operation of the Institute of American Meat Packers, the Bureaus of Animal Industry, Agricultural Economics, and Home Economics of the Department of Agriculture, and the agricultural experiment stations of twenty-six states. Three major studies are under way, dealing with: (1) production factors, such as age, sex, breeding, and ration, directed toward the economical produc-

tion of high-quality meat; (2) processing and handling factors, such as curing, storing, and cutting methods; and (3) preparation or cooking factors, including the development of improved cooking technique and the adoption of cooking methods to the various cuts and qualities of meat.

### Beef-Grading

C. V. Whalin, of the Bureau of Agricultural Economics, gave the annual report of government grading and stamping of beef. This service, inaugurated May 1, 1927, was conducted on an experimental free basis until June 30, 1928, after which time \$2 per hour was charged packers for the actual time of the graders. Thus the work is practically self-supporting. Twenty-seven men are now employed. The actual cost of grading done has decreased from 4.6 cents per 100 pounds in 1927 to 1.46 cents in 1932. During the fiscal year ending June, 1930, 48,548,579 pounds were graded; 103,518,300 pounds in the following year, and 184,504,869 pounds in the year just closed.

Lamb-grading—inaugurated in November, 1930, at Detroit, Michigan, largely as an experiment—is making rapid strides.

The board voted to renew the co-operative agreement under which it handles the beef-grading project. A statement as to the private packer grading also was made; the increase shown further confirming the belief that beef-grading has come to stay.

### Price Relations

Mr. Whalin also reviewed the work done by his department in charting retail prices at Chicago and New York, and studying their relation to wholesale beef and live-cattle prices. This work was undertaken at the suggestion of the board, and the weekly bulletin published by the Bureau of Agricultural Economics, showing these price relationships, is one of the most interesting and instructive issued by any governmental agency. It has a wholesome effect on price trends, and clearly shows up any failure quickly to reflect market variations in retail price.

### Twenty-five Cent Assessment

It was announced definitely that the Chicago market agencies would commence collection of the 25-cent assessment on July 18, and negotiations are under way with the Iowa packers to commence on the same date. This leaves only St. Paul out of the picture, the Central "Co-operative" Association there refusing to "co-operate," and the other agencies being loath to change from the 5-cent to the 25-cent assessment unless all market agencies are included.

### Publicity

The average western stockman has little conception of the great amount of publicity secured at little or no cost. Last year, 1,364 talks on meat were broadcast, compared with 896 the year earlier and 389 two years ago. In addition to much material furnished newspapers and trade magazines for publication, outstanding leaflets issued by the board itself last year were "Meat in the Low-Cost Diet," nearly half a million copies of which have gone to welfare agencies and others wrestling with the problem of feeding the unemployed (it contains many tempting recipes for the cheaper cuts of meat), and "Pointing the Way to a Better Knowledge of Meat," full of facts about meat and meat cookery. The *National Live Stock and Meat Board News*, published every sixty days, appeared on the scene during the past year.

The budget for next year is increased somewhat in re-



search demonstration work, field service, and home economics—the most important activities of the board.

Charles D. Carey, first vice-president of the American National Live Stock Association, was elected chairman for the fourth time. All other officers were likewise re-elected. Thomas E. Wilson is vice-chairman, Everett C. Brown, treasurer, and R. C. Pollock, manager.

### WEST SLOPE CATTLEMEN IN ANNUAL MEETING

RECOGNIZING AGRICULTURE AS "THE FOUNDATION of the welfare and stability of northwestern Colorado," and the cattle business as "one of the essential branches of the industry," the Western Slope Cattle Growers' Association, in convention at Rifle on June 25, 1932, adopted resolutions urging "the necessity of a method of administration of the forest ranges accessible to improved, hay-producing ranch property in such a way as to give the owner the preference right to the use of such range." Greater liberality in allowing owners of improved ranches to hold their grazing permits was recommended, and the range law of the state, checking the invasion of nomadic live-stock owners, was indorsed. Repeal of the Stock-Raising Homestead Act was favored.

Other resolutions advocated the adoption of a graduated income-tax law to ease the burden now resting on tangible property; opposed imposition of a tax upon cattle to defray the expense of exterminating predatory animals; urged reduction of public expenses through elimination of unnecessary activities; approved the advertising campaign of the National Live Stock and Meat Board; commended the American National Live Stock Association for its efforts to secure reductions in forest grazing fees; and favored co-operation between banks and stock-yard organizations in making available government funds with which to finance the cattle industry.

Tom Iles, of Craig, is president of the association; R. F. Magor, Sr., of Rifle, vice-president; and Claude H. Rees, of Rifle, secretary-treasurer.

### NEW CO-OPERATIVE ON PACIFIC COAST

THE WESTERN LIVE STOCK MARKETING ASSOCIATION has been organized as a subsidiary of the Western Cattle Marketing Association. It will operate as a co-operative commission company at terminal points on the Pacific coast, and will serve shippers of sheep and hogs as well as of cattle. The first unit to be put into operation is an agency at the San Francisco Union Stock Yards, which opened for business on June 15.

In explanation of this step, *Western Cattle Markets and News* of June 13 writes:

"The addition of marketing agencies on the terminal markets is a result of a policy adopted by the Board of Directors at their meeting in April to add additional service to the present direct marketing service, but this in no way will affect the present direct marketing service as being carried on by the Western Cattle Marketing Association. . . . Also, the fact that other co-operative agencies affiliated with the Western Cattle Marketing Association in the National Live Stock Marketing Association, such as the Intermountain association, with headquarters at Denver, and the Texas association, with headquarters at Fort Worth, whose members have been sending large supplies of live stock to the Pacific coast markets, and who have been asking that co-operative marketing facilities be provided at these markets for the handling of their

live stock, has been one of the important factors that the Board of Directors took into consideration."

The new association—the first co-operative sales agency on the Pacific coast—is set up on a stock-sharing basis, enabling any western producer to become a member by the purchase of one share of stock at \$1, which makes him eligible to all the benefits. Service is also open to non-members, who will, however, not share in any refunds.

Officers of the new organization are the same as those of the Western Cattle Marketing Association: E. F. Forbes, president and general manager, and Earl D. Schlaman, secretary and treasurer.

### ILLINOIS CO-OPERATIVE JOINS NATIONAL

AT A RECENT MEETING IN CHICAGO, THE EXECUTIVE Committee of the National Live Stock Marketing Association admitted the Illinois Live Stock Marketing Association to membership. The state association was incorporated in March, 1931, and started operations in September. Its main sale office is in Decatur.

With the affiliation of this new association, the National now has twenty-three co-operative live-stock sales agencies as members and stockholders.

### WHERE SAVINGS MAY BE MADE

IN THE WEEKLY LETTER SENT OUT BY MRS. John M. Keith, secretary of the Arizona Cattle Growers' Association, to the membership of that organization, we often find things of a wider application. The following "Neighborly Talk" from the pen of Frank S. Boice, of Sonoita, Arizona, vice-president of the association, is worth quoting:

"Have you ever given serious consideration to the expense items that go to make up the operating cost of one of these cattle ranches? Certainly you must have, because you are all faced with the problem of cutting your production costs in order to survive under the present market. And when you consider these items, does it always discourage you to realize how few of them you can reduce by economical management?

"I sometimes feel about it the way I do about one of these storage tanks, fed by a weak spring, from which, during the hot weather, the cattle drink a little more water than the spring supplies. Each succeeding day the water drops a little lower and a little lower, and all I can do about it is to pray for rain.

"But our expense items are not quite so bad as that. If we have been feeding ourselves and our men on the fat of the land, we might try bread, meat, and beans, with a few trimmings—very few. The saving will be surprising, and our health will probably improve. See that the truck goes to town only when it is necessary, that it hauls a load both ways when going over the ranch, and that it is driven at a reasonable speed. The resulting saving will be material.

"I sometimes think the supply item is the worst of all. But we can improve it, too. There is no such thing as having an old pumping engine wear out. Fix it up! It will work another year. The windmill is the same. Put some new bearings in it, and it will stay on the job. . . . Pinch on every item. The total saving makes it worth while.

"When we come to labor costs, we are on more delicate ground. But if we are to stay in the business, they must be cut. We have taken a 50 per cent reduction in the value of our product, and the cost of living is down. Labor must share in the decline. I am convinced that it will cut the labor cost to work only good men. They are available now. It will help our health and our bank account to do a little more of the work ourselves. Try out the old saddle from daylight till dark. You did it once, and it did not hurt you—not even your feelings.

"There are some items that we must be careful how

we cut. Cattle must have salt, and sometimes supplemental feed. We can only be as economical as possible and pay the market. And we must have *enough good bulls*. They do not cost so much as they did.

"There are two items left that are seemingly hopeless—grazing cost and taxes. And the worst of these is *taxes*. At the present time I believe grazing cost for most of us is beyond our influence, but certainly taxes are not. What is your school board doing? Are they putting through a budget which is beyond all reason, and then running over it? That is going on in some districts—perhaps in yours. Why not investigate and use your influence? What are your county officials doing? There was a time when we elected men to do the work of the office to which they were elected. Now elected officials spend their time repairing their political fences, and hire others, at our expense, to do the work of their office. These politicians who are so keen for office—I am in favor of putting them to work!

"... Government costs must come down in proportion to our reduced income, and I am confident that they can be so reduced without hurting any of the essential business of an efficient government. Some of our politicians are going to shed crocodile tears; but let us keep our heads level and not be influenced by a bawling politician who should be weaned, any more than we are influenced by a bawling calf that our experience tells us has lived off his mother long enough.

"There is no occasion for the cattleman to give up. The situation calls for intelligent, individual action in bringing our ranch expenses down, and for individual and group action in putting governmental costs in line with present conditions.

"We have worked through times like these before, and we are going to make the grade this time; but we cannot do it sitting down."

#### E. B. SPILLER TESTIFIES AT COMMISSION-RATE HEARING

**T**ESTIFYING AT THE HEARINGS ON COMMISSION rates in St. Louis before a representative of the Packers and Stock Yards Administration on June 21, E. B. Spiller, secretary and general manager of the Texas and Southwestern Cattle Raisers' Association, called attention to the great increase in the number of marketing agencies at the various market centers in recent years. These agencies, he said, had to be supported by producers. While the live-stock industry did not claim the right to deny anyone the privilege of entering the commission field, it did feel that it should not be called upon to support an overmanned business. In aiming at proper charges, therefore, a market agency fully equipped to render service, and handling a considerable volume of business, should be taken as an example, and charges should not be based on what is required for all the agencies now operating to make a profit.

"The live-stock industry," Mr. Spiller declared, "does not have the information, and has not been able to make an investigation to secure the information, which will very definitely point to what is the proper charge. But the industry does feel, at the present time, that all market costs are excessive. There has been a very great decrease in the value of all live stock and live-stock products, and those who have been engaged in the live-stock business have had their incomes very greatly reduced, not having earned any profit for some time."

Mr. Spiller appeared for the American National Live Stock Association as well as for his own organization. He introduced resolutions passed at the recent conventions of the two bodies, which asserted that, under present conditions, it is unfair and illogical to maintain the same rates that have been in effect for years. He also had entered upon the record tables showing farm values per head and estimated prices per 100 pounds received at market for the different classes of live stock over a period of years.

#### LOWER COMMISSION AND FEED CHARGES

**T**HE PRODUCERS' LIVE STOCK COMMISSION ASSOCIATION at National Stock Yards (St. Louis) has filed a new schedule of commission charges, granting substantial reductions all down the line. For instance, the new cattle rate is 65 cents per head, with a maximum of \$15 per car; hogs, 20 cents per head, with a maximum of \$10 per single-deck car; and sheep, 20 cents per head, with a maximum of \$10 and \$18 for single- and double-deck cars.

The stock-yard companies at Sioux City, Sioux Falls, and South St. Paul have just reduced the price of corn from 95 to 75 cents per bushel, while Kansas City and Omaha have reduced it from 95 to 85 cents per bushel, and Denver from \$1 to 90 cents.

#### EDWARD F. SWIFT DIES

**E**DWARD F. SWIFT, CHAIRMAN OF THE BOARD OF Directors of Swift & Co., on May 28 accidentally fell from a window of his eighth-floor apartment in Chicago and was instantly killed; recalling the death, a year and a half ago, of F. Edson White, president of Armour & Co., in a similar manner.

Mr. Swift, who was sixty-eight years old, was one of the many sons of the founder of the firm and had been brought up in the meat-packing business, working his way through. In 1887 he became the first manager of the Swift plant in Kansas City, and in 1903, at the death of his father, was made vice-president of the company. He was elected vice-chairman of the board in 1931, and chairman in January of this year.

To succeed him as chairman has been named Charles H. Swift—the third brother to hold the position this year.

#### THE CALENDAR

- July 18-19, 1932—Midsummer Meeting of Colorado Stock Growers' and Feeders' Association, Buena Vista, Colo.
- July 25-26, 1932—Annual Convention of Colorado Wool Growers' Association, Montrose, Colo.
- August 20-27, 1932—National Swine Show, Springfield, Ill.
- August 29-31, 1932—National Ram Sale, Salt Lake City, Utah.
- October 3-9, 1932—Dairy Cattle Congress and National Belgian Horse Show, Waterloo, Iowa.
- October 4-6, 1932—Annual Convention of National Co-operative Milk Producers' Federation, San Francisco, Cal.
- October 22-29, 1932—Pacific International Live Stock Exposition, Portland, Ore.
- October 29-November 4, 1932—Ak-Sar-Ben Live Stock Show, Omaha, Neb.
- November 7-10, 1932—Kansas National Live Stock Show, Wichita, Kan.
- November 12-19, 1932—American Royal Live Stock Show and Fiftieth Anniversary Show of American Hereford Cattle Breeders' Association, Kansas City, Mo.
- November 14-16, 1932—Junior Live Stock Show, San Francisco, Cal.
- November 16-25, 1932—Annual Convention of National Grange, Winston-Salem, N. C.
- November 17-18, 1932—Annual Convention of California Wool Growers' Association, San Francisco, Cal.
- November 26-December 3, 1932—International Live Stock Exposition, Chicago, Ill.
- November 26-December 4, 1932—Great Western Live Stock Show, Los Angeles, Cal.
- January 12-14, 1933—Thirty-sixth Annual Convention of American National Live Stock Association, Ogden, Utah.
- March 11-19, 1933—Southwestern Exposition and Fat Stock Show, Fort Worth, Tex.

"Keep THE PRODUCER coming. It is the best live-stock journal printed."—WALTER BREAZEALE, Nicholia, Ida.



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## RAILROAD RATES

**D**URING THE PAST FEW WEEKS EXTENDED hearings have been held at Kansas City, Dallas, Los Angeles, Portland, Salt Lake City, and Chicago in what everyone hopes is the last act of that ancient case, Docket No. 17000. Both the railroads and the agricultural interests have spent thousands of dollars, which neither group could afford, in retelling the oft-heard story of real or threatened bankruptcy; the major difference being that the railroads see it coming, while the agricultural interests have been contending with it for some time. There are still some people in the live-stock business who remember when the Hoch-Smith Resolution was passed, with high hopes of averting the then impending disaster that is now an actual fact. There are many who believe that, had the Interstate Commerce Commission acted promptly in the matter, and had railroad executives possessed a measure of foresight, which even today is strangely lacking, lower rates would have been in existence for several years, the roads would have saved millions of tons of business that has gone to the trucks, and both the agricultural industry and the carriers would have less need for red ink in keeping their books than now is the case.

Rates must be reduced. The crying need of the country at present, with commodity prices at the foot of the ladder, is cheaper transportation. For how many months or years yet must we read that "revenue freight loadings continue to decline" before railroad executives awake to the fact that only one thing will bring them back, and that is lower freight rates? We have today the incongruous picture of the railroads making all kinds of reduced passenger rates, in an attempt to recapture business that has for years showed a huge annual loss, and at the same time seeking to increase rates on the profitable freight business, seemingly oblivious of the increasing hum of the mighty wheels of the trucks that infest our highways.

The rates prescribed in Docket No. 17000, which became effective on January 25, 1932, are 34.59 per cent higher than those prescribed by the Interstate Commerce Commission for the Southwest in 1911; they are 84.28 per cent higher than those prescribed for northern Missouri in 1917, and 20.37 per cent higher than the rates prescribed in 1913 for application between Arizona and California.

The index figure of live stock and poultry in 1931 was 63.9, as compared with 73.2 in 1915—a decline of 12 per cent; that of all farm products, 64.8, against 71.5 for the same period—a decline of 9 per cent.

Some years ago Sam H. Cowan, who for so long fought the battles of the live-stock industry before the Interstate Commerce Commission, with prophetic vision issued a statement entitled "Reduction of Railroad Rates Essential to the National Prosperity, and the Duty of Congress to the Public as Well as the Railroads." What a different story there would be to tell today had his advice been followed!

The fallacy of section 15-a of the Transportation Act, long proclaimed by the American National Live Stock Association, has finally been recognized by the Interstate Commerce Commission, and Congress has been petitioned to repeal that feature of the act. It is to be hoped that, in this crisis of American industry, there will be developed new leadership at the helm of our great railroads, with vision to see that the attempt to set rates high enough to earn the so-called "guaranteed" 5¾ per cent has contributed to the ruin of both the railroads and the industries which pay the freight; that rates must again be fixed on the basis of *what the traffic will pay and still use the rails*; that railroad costs of operation must be further deflated, in line with current levels in other fields of industry (the recently published statement of the salaries paid railroad presidents and vice-presidents would indicate that a good place to begin would be at the top); and that, to recover much lost business, as well as to keep what they now have, **RAILROAD RATES MUST BE REDUCED.**

## ONE HUNDRED PER CENT (?) TUBERCULOSIS-FREE

**I**N AN EDITORIAL IN THE MAY PRODUCER, under the heading of "20,000 to 1," attention was called to the peculiar mental attitude of those in the East who insist on drastic regulations to "protect" their states from reinfection with bovine tuberculosis by prohibiting imports from western range states unless the cattle come from accredited areas or have been subjected to the tuberculin test.

Unfortunately for the West, most of these men who are so zealous in their efforts to safeguard their own herds are entirely unfamiliar with conditions in the range areas, and have formed their opinion as to the dangers of accepting range cattle entirely from the records kept by the Bureau of Animal Industry of the testing of *farm and dairy cattle* in those states. In some of the principal range states practically no testing has been done except of dairy cattle, and even then the percentage of infection *on first test* is about the same as the average shown *on retests* in the so-called 100 per cent accredited areas. This is borne out by a compilation of the official records for the first four months of 1932.

The states of Indiana, Maine, Michigan, North Carolina, Ohio, and Wisconsin are all classed as 100 per cent accredited. In these states, 1,109,236 cattle were *retested* in the period January to April, inclusive, 1932, of which 4,562, or 0.41 per cent, reacted. In the states of Utah, Wyoming, Arizona, Idaho, Montana, Nevada, New Mexico, Colorado, Texas, and Oregon, 228,671 cattle were tested in the same period, and 1,142, or 0.49 per cent, reacted. In several of these states the testing was confined almost entirely to the dairy districts in metropolitan areas. In the tier of states comprising Oklahoma, Kansas, Nebraska, South Dakota, and North Dakota, the eastern two-thirds of which is devoted to agriculture, while the western third is still largely in pasture lands, 304,036 cattle were tested in the same period, of which 1,313, or 0.43 per cent, reacted.

There is no question but that a segregation of range and semi-range cattle from the farm and dairy herds in the above two groups of western states would reduce the percentage of reactors (if any) on first test to a point far below that shown on retests in the 100 per cent accredited states. The only infection ever found in range herds was acquired through the purchase of breeding stock—mostly from eastern states. There always will be more bovine tuberculosis in the dairy herds of the East, tested every year though they may be, than in the untested range herds of the West. The truth of this statement is attested by the fact that the counties of Dallam, Hartley, and Sherman, in the tip of the Texas Panhandle, have just been accredited, without finding a single

reactor in any of the range herds; while across the line in New Mexico 7,500 cattle were tested, some thirty or forty reactors being found in dairy cattle and one reactor in the range cattle—a *cow that had been ranging and watering with an infected herd of dairy cattle*. Apparently her mother failed to teach her the danger of evil associates.

The study of packing-house records just inaugurated by Dr. Mohler, as announced elsewhere in this issue, combined with segregation of range and semi-range cattle from farm and dairy cattle in the tabulation of field work done in the past two or three years, will lay the cards on the table, so that all who seek the true facts may know them. When all is said and done, no reasonable basis can remain for not exempting range or semi-range cattle from the restrictions that should apply to farm and dairy cattle.

## VOLUNTARY REDUCTIONS IN MARKETING CHARGES

**T**HE PRODUCER ERRED LAST MONTH IN assuming that the Producers' Commission Association and the Farmers' Union Live Stock Commission Company at Kansas City intended to join the Kansas City Live Stock Exchange in opposing the application of the order of Secretary Hyde as to commission rates at that point. This order, issued after a lapse of approximately a year and a half from the time the hearing was held, was to have become effective June 18, but has been postponed thirty days. The co-operatives did file a new tariff, unsatisfactory to western cattle-shippers, just before the issuance of this order, as did the members of the exchange, which led us to assume they were working in unison. However, they are not a party to the stalling tactics adopted by the exchange, and to which Secretary Hyde has fallen an easy victim, but instead have put into effect immediately the new schedule of rates.

The same rates have been voluntarily adopted by the exchanges at Wichita and Oklahoma City. This gives shippers the benefit of a lower rate at once, and saves both the commission men and the government the expense of a formal hearing. THE PRODUCER joins the shippers to those markets in expressing appreciation of this voluntary action.

It is becoming apparent that the live-stock industry has little protection under the Packers and Stock Yards Act, as administered by Secretary Hyde. Although the law was passed in 1921, no important case involving stock-yard rates has as yet been pushed to a satisfactory conclusion. At this writing, it appears that no relief in yardage rates can be expected through official channels in time to be of



any assistance in the present emergency. Only voluntary action by stock-yard companies, alive to the condition of the industry, will turn the trick. While commission rates have been reduced at most of the central markets, many of the recent reductions have been voluntary.

The fault does not lie with the Packers and Stock Yards Administration itself, but in the office of the Secretary of Agriculture, where all decisions go for formal approval and signature. Months, and even years, pass by before any action is taken after a report is ready to be signed. In the Kansas City case, shippers are beginning to wonder if the secretary will ever enforce the order, held nearly a year for his signature, and now the effective date postponed at the request of the exchange. Every day's delay adds to the burdens of the live-stock shippers, but fattens the bank accounts of the commission men. Whom was the law designed to protect?

### IN CONVENTION ASSEMBLED

THE TWO PARTIES HAVE SPOKEN. FOR those who had hoped that a Messiah might arise at Chicago, sending out the clarion note of leadership to a bewildered nation, the conventions have proved a disappointment. The platforms—one in sonorous verbosity, the other with at least the saving grace of brevity—follow the well-trodden path of mutual recrimination and hazy promises. "Continue our crowd in office," says one, "and the policies which we have sponsored will eventually bear the desired fruit." "The emergency calls for a change," counters the other. "Turn the reins over to us, and everything will be rosy." All this we have heard before.

With the country crying for economic guidance, the chief planks in the two platforms leave little to choose between. As might be expected, the Republicans point with pride to the Smoot-Hawley Tariff Act that has saved our markets for the home producer and secured for agriculture a measure of equality with industry. Equally as a matter of course, the Democrats attack the act as a barrier to trade, an additional cause of unemployment, and an international irritant. Of concrete plans for aiding the farmer neither document has a word. The vexatious question of the bonus is passed over in silence. True to the rules of the game, any issue charged with political dynamite, threatening to split the parties wide open, has been religiously evaded.

An exception to this playing-safe principle is prohibition. Here the two parties have agreed to discard precedent and have in unison taken a bold step—forward or backward, depending upon one's point

of view—coming out in favor of letting each state decide for itself how to deal with the problem. With one-tenth of the people not having enough to eat, such is the perversity of human nature that the question of freedom to drink or not to drink, as he chooses, is of more interest to the average man than his bread and butter. So the parties have decided that this inflammatory matter must be eliminated from the arena of discussion before the country can settle down to consideration of really worth-while things.

Of course, the bog in which we are floundering is not the handiwork of either party. The trouble is world-wide—its roots deep in the past, watered by the blood shed in the Great War; deep in the psychology of nations; deep in the mystery of things that just seem to happen. A change of individuals, or of party government, may be beneficial from time to time, as a corrective and a regulator. On the main course of events it has little influence. The main course of events is determined by forces outside of party organization—outside of individual capacity or initiative. These, at best, may accelerate or check; they do not control.

As absurd as it was for the Republicans, four years ago, to proclaim that continuation of their party in power would insure continuation of prosperity, just as preposterous is it today for the Democrats to assert that swapping horses now is the only means of safely crossing the stream. We all remember how it was promised us that prohibition would empty our jails and almshouses. Everybody knows that it did nothing of the kind. Soon we may see how, alluring promises to the contrary, the abolition of prohibition will not usher in the millennium.

History's pendulum swings back and forth. By our wisdom we may speed up the movement; by our stupidity, retard. We can do little more. After all, therefore, it may not matter so very much what was done or said at Chicago. The country, recovering its stride with the rest of the world, will muddle through somehow, whether Herbert Hoover or Franklin Roosevelt is in the White House.

### WHEAT ESTIMATE AGAIN LOWERED

GOVERNMENT ESTIMATES AT THE BEGINNING OF June place the yield of winter wheat at 410,669,000 bushels. This is nearly 30,000,000 bushels under the May figure. Last year 787,465,000 bushels were harvested. No official forecast has been issued for spring wheat, but private estimates put it at around 250,000,000 bushels; making a total wheat crop of 661,000,000 bushels for the current season, compared with 992,000,000 bushels produced in 1931. Rye production is now estimated at 38,700,000 bushels, against 39,464,000 bushels in May, and a harvest of 43,800,000 in 1931.

"Your paper is A-1."—R. BROWNLEE, Big Timber, Mont.

# THE STOCKMEN'S EXCHANGE

## BASING RATES ON INCOME RETURNS

BELL RANCH, N. M., June 21, 1932.

TO THE PRODUCER:

Concerning the method that has been adopted in rate cases, both stock-yard and railroad, for determining the value of the property as a basis for fixing the rates, I think that it is inequitable to take into account the values of the real estate at the present time, affected as they are by a complex set of conditions. When stock-yards were first established, the promoter sought out a spot adjacent to a large town where land could be had at a low price. If business was attracted, packing-houses were established in the vicinity, and gradually a "packing town" grew up. Residence streets were laid off, and the necessary buildings for retail trade were established. The value of the land increased. In the meantime the city had grown out, in many cases, so as to surround the stock-yards and inclose them in a larger municipality. The value of the naked land grew inevitably, and if rates were to be based on the principle of a return—not on the investment, but on the present value of the property—there would be no cessation to their upward movement.

Under the Transportation Act of 1920, the principle was adopted that railroad rates should make a fair return on the valuation of the property. The same process has been in action in the case of railroad real estate as in that of the stock-yards. When the roads were built, the value of the land—at least in the case of western roads—was very little, and in many cases the right-of-way was a free gift to the railway company, and so were the station grounds in the smaller cities. The country has developed so that some of the terminals, such as the Grand Central in New York and the interior terminals in other large cities, have reached a point where their real-estate value has become almost fabulous. So it has been in the country. In the farming regions of the Middle West the right-of-way, which cost the roads nothing at all, is, when valued at the same rate as adjoining farming land, worth several hundred dollars an acre. It is true that the roads are taxed at these high values very often, but that is not to the point, because the taxes are part of the operating expenses, and the intention has been to fix rates at a point where they will make a fair return to the road after operating expenses are deducted from gross revenue.

The theory of the authors of the Transportation Act seems to have been that returns to railroads can be stabilized by establishing a certain ratio between rates and valuation. This is unsound, because the income of a railroad is not to be arrived at by subtracting operating expenses from the yield of rates. There is another factor involved—that of tonnage. The revenue of a railroad is represented by rates multiplied by tonnage. Now, tonnage varies from year to year, and depends very largely on the harvests. Taking the one commodity of wheat, the harvest may vary from an extreme high to an extreme low yield by as much as half a billion bushels.

This one commodity is handled, I suppose, by every railroad in the United States, and the plentiful or short harvest affects their earnings. Under the law, the Interstate Commerce Commission has the power to make such adjustments of rates as will return to the railroads the percentage of their total valuation which has been determined on as a fair net income, and the power is in the hands of the commission to make adjustments as often as they deem necessary, with or without the action of the roads on their own behalf. Also, they can have a revaluation of the roads made every ten years, which, seeing that the normal price movement of real estate is always upward, means higher rates and still higher—with the result that the shorter the harvests and the poorer the condition of the country, the higher would be the rates. In fact, they must be if the law is to be carried out. The whole proposition is an absurd one.

A similar set of conditions applies to the business of a stock-yard company. Not only is there the same steady increase in land valuation, but, in order to yield a certain percentage of return to the owners of the company, either the volume of receipts will have to be maintained or the rates will have to go up. Take the Kansas City Stock Yards Company as an example. The following figures are taken from their report for the year ended December 31, 1931:

Receipts of cattle in 1924 were 2,471,291 head; in 1931 they were 1,665,445—a decline of 33 per cent. Receipts of cars, all classes of live stock, were, in 1924, 135,478; in 1931 they were 92,904—a falling-off of 31.4 per cent. It may be said that this comparison is of an extreme high with an extreme low year. But the five years 1922-26 showed a total of receipts of cattle of 12,138,992, while the following five years, 1927-31, had only 9,232,909—a decline of 23.9 per cent. Receipts of cars of all classes of live stock for the same two groups of years were 656,353 and 531,515, respectively—a loss in total car receipts of 19 per cent for the five years; and this although truck-ins, not shown earlier, were included and reduced to a car basis from 1928 onwards. Now, if Secretary Hyde or the courts hold the view that the yard company should be allowed to earn 7½ or any other fixed percentage, they will have to consider what scale of receipts will control the basis of rates. In view of the increase in direct shipments, which we are all agreed on as not only actually existing, but highly desirable, the stock-yards will have to look forward to further declines in receipts, and we do not expect to restore their lost revenues by paying advanced yardage charges.

It does not need a mathematician to calculate, taking the figures of cattle receipts alone as a sample, that if a yardage charge of 35 cents a head produced a satisfactory return during the first group of five years above mentioned, it would take 52 cents a head to yield the same return during the second group of years, assuming that operating expenses remained the same. I think some other basis will have to be found, besides income return on valuation, to determine equitable rates.

C. M. O'DONEL.



## MANY TROUBLES OF WEST DUE TO EASTERN IGNORANCE

BRANDENBERG, MONT., June 9, 1932.

TO THE PRODUCER:

Although a little late, I want to compliment you on the editorial entitled "Western Senators and Eastern Censors" contained in the April issue of THE PRODUCER, page 16. It seems to me that the arguments you present in answer to the article appearing in the March issue of the *Atlantic Monthly*, under the title "Sagebrush Rule," and written by Bernard Knollenberg, are not susceptible of successful contradiction. One might well ask why eastern magazines are always so ready and willing to print matter which places the West in a bad light, and many times on subjects in which only the West is vitally interested, and about which only a western man is qualified to write. In particular I have reference to an article appearing in the *Saturday Evening Post* a few years ago and written by W. B. Greeley, then chief of the Forest Service.

I have often wished that I could wield a facile pen, in order that I might make known the limitless waste, the irreparable damage, the untold suffering and havoc wrought by the public-land laws—laws enacted by eastern legislators, and saddled upon a helpless minority by a majority entirely unfamiliar with the true conditions. Some day someone, well fitted to do so, will tell the story of the thousands of unsuspecting families sent west to make their living by farming, the net result of which was to cause them impoverishment, lay waste millions of acres of the finest grass that ever grew, and bankrupt the live-stock industry.

Since I am personally acquainted with Mr. Knollenberg, your editorial and the article by him hold a double interest for me. Some years ago the "Aluminum Kid" spent a week at our ranch, which I well remember, and trust he does, too. I might add that, if Mr. Knollenberg is as good a lawyer as he was a salesman of aluminum ware, he is some lawyer; but I cannot agree with his views on taxation.

JULIAN TERRETT.

## WHOLE COUNTRY CALLING FOR TAX RELIEF

KIT CARSON, COLO., June 15, 1932.

TO THE PRODUCER:

There are only two ways open to get relief. First of all, reduce the cost of government to a sound and sane basis. Cut out all needless departments, boards, and commissions, from Washington on down the line of state, county, city, and school districts. Eliminate all tommyrot and monkey business from schools and colleges, and abolish agricultural colleges and experiment farms. I have been a rancher and farmer all my life, and I have contributed to the support of those agricultural institutions thousands of dollars in direct taxes, and unknown amounts in indirect taxes. But if I have ever received five dollars' worth of benefit from them, I do not know when it was. Congress has been wrangling all winter about a tax bill to balance the budget, and finally passed a measure to put another load on the already overburdened taxpayer—the farmer.

But they have not done a thing in the way of cutting down government expense. Even after the President showed them where they could save hundreds of millions of dollars, they paid no attention. I suppose they thought that, since Mr. Hoover himself created more boards, commissions, and bureaus than any President before him, he did not exactly mean what he told them.

The thing for the people to do is to send every senator and congressman who is out for re-election this fall home to stay, and elect an altogether new set of men to go to Washington. The new ones might not be any better, but that is the only way we can ever expect to improve our government.

The second thing to do is to reorganize the taxing system so as to make everybody bear his share of taxation. Cut out all tax-free bonds, etc., and pass an income-tax law, and other laws so as to tax everybody according to his ability to pay.

In 1929 the gross income of the United States was over \$90,000,000,000. By 1930 it fell to \$71,000,000,000, and by 1931 to \$54,000,000,000. The total annual tax for all purposes amounted to \$15,000,000,000 for those three years, on an average. For 1932 the estimated gross income is less than \$45,000,000,000, but the taxes will be higher than ever before. Altogether the taxes are many millions more than the net income.

C. J. OSWALD.

## ESSENTIAL THAT STOCKMEN PRESENT UNITED FRONT

CLIFTON, ARIZ., June 11, 1932.

TO THE PRODUCER:

The cattle industry, like every other, is hard hit, and many cattlemen are having a struggle to exist; but the storm can be weathered—not, however, unless we stay together and work co-operatively. Never at any time in the history of our industry has organization been more essential, or more deserving of our support, than at present, and it should be the duty of every cowman to help maintain our association. Under any circumstances, it must not be allowed to fall in the rear through financial failure, thus preventing it from functioning efficiently.

Demands for tariff reductions on our products, tuberculosis-eradication work and the task of bringing about modification of the plan for testing range cattle, oleomargarine duties, together with our continuous railway-rate battles, are but a few of the many things facing us which require a united front.

FRED J. FRITZ.

## PACKERS AND MEAT-RETAILING

HOW AT LEAST ONE OF THEIR NUMBER FEELS about packers entering the retail field is shown in the following extract from an address delivered by E. A. Cudahy, Jr., president of the Cudahy Packing Company, at the convention of the National Association of Retail Meat Dealers held in Toledo, Ohio, on May 9, 1932:

"The policy of our company is to confine our efforts through these outlets [branch houses and car routes] to the wholesaling of meat only. We believe this should be the province of the meat-packer. The live-stock producers for some time have encouraged the retailing of meat by packers, and have solicited the Department of Justice that the Consent Decree be modified so that this might be done, on the theory that the packer could do it cheaper, which would be of financial benefit to the producer. I do not think a meat-packer can profitably enter the retail field, any more than a retailer can do a good job of operating a packing plant. I do not see anything that could develop in the retail distribution of meats that would overcome the great advantage that the independent retail merchants have at present, and that is the personal contact they enjoy with their customers. In my opinion, no changes in merchandising methods can ever affect

"Hard times and all, THE PRODUCER is the best for the money."—C. A. JARBOE, Bindloss, Alberta, Can.

# WHAT THE GOVERNMENT IS DOING

## IN CONGRESS

WITH A LARGE PROPORTION OF ITS MEMBERSHIP absent in Chicago, helping pick out the next occupant of the White House, Congress has valiantly stuck to its task and is still sawing wood. The financial problems with which it is wrestling are of staggering dimensions. When it is realized that the deficit for the fiscal year just ended approached the enormous sum of \$3,000,000,000, the country has cause for gasping at the proposed expenditure of other billions, even for purposes of "relief."

\* \* \*

At this writing, the conferees of the two houses are putting the finishing touches upon the compromise \$2,300,000,000 unemployment relief bill, merging features of the Wagner and Garner measures. As President Hoover objects to what he calls the "pork-barrel" features of this legislation, he may not sign it. In that case, an attempt will be made to pass it over his veto, or, if that fails, to reshape the bill.

\* \* \*

At last the long-debated "economy bill" has been adopted and signed. The measure provides for the saving of \$150,000,000 to \$175,000,000. Government employees receiving more than \$1,000 a year are to be given annual furloughs of a month without pay. A graduated scale of pay cuts is to be applied to those whose services cannot be spared, beginning with 8½ per cent for salaries up to \$10,000. Salaries between \$10,000 and \$20,000 will be cut 10 per cent, and salaries of \$20,000 and over, 20 per cent. Other savings will be effected by the reorganization of bureaus.

\* \* \*

The Patman bill for printing \$2,400,000,000 of new currency for the immediate payment of adjusted bonus certificates of World War veterans, overwhelmingly passed by the House on June 15, was just as decisively defeated in the Senate two days later. Both parties sidestepped the issue at Chicago.

\* \* \*

The House has refused to concur in the Senate amendment to the agricultural appropriations bill making the sum of \$1,450,000 immediately available for eradication of grasshoppers in the Northwest.

\* \* \*

Opponents of the McNary farm bill, offering the three alternatives of the equalization fee, the debenture, and the allotment plan, have succeeded in recommitting the bill to the Senate Committee on Agriculture and Forestry. This probably means its death for the present session.

"In looking over the pages of THE PRODUCER, I find many interesting articles."—C. T. MOORE, Genoa, Neb.

## FEDERAL FARM BOARD

FUNDS FOR THE OPERATION OF THE FEDERAL Farm Board during the year beginning July 1, 1932, have been slashed. Instead of the \$1,000,000 authorized by the House for the administrative expenses of the board, the Senate insists that it must get along with the less than \$600,000 remaining as unexpended balance of previous appropriations. Mr. Stone's plea that the curtailment would mean the discharge of about half of the employees of the board went unheeded.

\* \* \*

Forty-five million bushels of wheat and 500,000 bales of cotton from the stocks held by the two stabilization corporations have been set aside by Congress for distribution to the needy through the Red Cross.

\* \* \*

Reappointment of C. B. Denman as member of the Farm Board, representing the live-stock industry, has been confirmed by the Senate. The term is for six years.

\* \* \*

A congressional investigation of the activities of the board will be undertaken as soon as possible after Congress adjourns, Senator McNary, of Oregon, chairman of the Senate Committee on Agriculture and Forestry, has announced.

## BOVINE TUBERCULOSIS TO BE TRACED AT PACKING PLANTS

IN ACCORDANCE WITH THE STATEMENT ISSUED by Dr. John R. Mohler, chief of the Bureau of Animal Industry, on April 28, that "in the meantime surveys will be continued in order to obtain more information on the presence or absence of tuberculosis infection in range cattle," announcement is made that Dr. Herman Busman, of Chicago, has been charged with the responsibility of setting up the machinery to trace the origin of infected animals found on the killing-floor. Dr. Busman has had a wide experience at several of the large central markets, and holds the confidence of all stockmen who have been in contact with him. The first markets assigned for this study are Chicago, St. Paul, Sioux City, Omaha, St. Joseph, Kansas City, and Denver. Some additional information may be secured at other markets without putting special men on the job.

Dr. Busman is now completing a survey of the above markets, and has found both packers and commission men willing to co-operate. Shippers should likewise lend their full support to the project. *They are urged, when making shipments this fall, to ask their commission men so to handle the cattle as to make it easy for the agent of the Bureau of Animal Industry to trace the identity, if this can be done without sacrifice as to the sale price.*



According to Dr. Busman, Dr. Mohler has an open mind on the subject, and is going to give the suggestion of stockmen that testing be transferred to the killing-floor a thorough trial.

Thus another corner is turned in the effort of western stockmen to simplify tuberculosis-eradication work. The suggestion that this study be undertaken was contained in a resolution adopted by the American National Live Stock Association at San Antonio last January. Since that time, Arizona, New Mexico, Wyoming, South Dakota, and Nebraska have added their official indorsement at annual meetings. Colorado is in full accord with the program and is expected to act at the midsummer meeting this month. Many stockmen of other western states are keenly interested in the matter.

The first results of the work just undertaken should be available about December 1.

### MEAT-GRADING CONTINUES TO GAIN

**C**ONSISTENT INCREASES FROM MONTH TO MONTH in quantities of beef graded and stamped by the Department of Agriculture are an indication of the growing popularity of the service. All previous monthly records were broken in May this year, when 20,874,267 pounds of beef received the official grade stamp. This was an increase of 1,941,138 pounds, or 10.3 per cent, over the previous month, and an increase of 6,638,081 pounds, or 46.6 per cent, over May, 1931.

During the first eleven months of the last fiscal year, beginning July 1, 1931, a total of 163,630,602 pounds of beef were officially graded. For the same months last year the figures were 87,810,539 pounds. This shows an increase of 75,820,063 pounds, or 86.3 per cent.

Lamb-grading and stamping is likewise gaining. In May, 503,480 pounds of lamb received the official grade stamp. During the eleven-month period ending with May this year, 2,898,436 pounds were officially graded. Lamb-grading is a recent development, and figures for one year ago are not available.

### MEAT IN DIET SANCTIONED BY NATION'S PHYSICIANS

**P**UBLICITY AND ADVERTISING MATERIAL prepared by the Institute of American Meat Packers to promote the use of meat in a well-balanced diet was prominently displayed in the exhibit of "Accepted Foods" at the annual meeting of the American Medical Association held recently in New Orleans, we are told in the June issue of the *Meat and Live Stock Digest*. Among the material shown was a series of seven colored posters telling the story of meat in the diet.

In announcing its acceptance of this material, the Committee on Foods of the association declared that the following claims of the Institute had received its official approval:

- "1. Meat is an excellent source of high-quality protein.
- "2. Lean meat, kidney, liver, heart, and tongue are among the richest sources of food iron.
- "3. Lean meats supply most minerals required in nutrition in good quantity, excepting calcium.
- "4. Lean meats are rich in phosphorus.
- "5. Lean meats are a good source of Vitamins G and E.
- "6. The fat of beef animals is a good source of Vitamin A, while oleo oil and oleomargarine made from it are rich in Vitamin A and contain Vitamin D.
- "7. While lean meats furnish but modest quantities of

calories, the fatter meats supply liberal amounts, and bacon and salt pork are among the richest food sources of calories.

"8. Edible specialties, such as liver, kidney, heart, and tongue, are good sources of Vitamins A, B, and G.

"9. Meat is one of the most digestible of foods, its protein being almost entirely digestible.

"10. The body fats of beef, pork, and lamb, as well as prepared shortening, such as lard or oleomargarine, are almost completely digestible (96-97 per cent)."

### PACKERS GIVEN YEAR TO DISPOSE OF GROCERIES

**B**y ORDER OF THE SUPREME COURT OF THE District of Columbia, packer signatories to the Consent Decree are given a year from June 15, 1932, in which to dispose of their stocks of food commodities, now on hand or contracted for, the handling of which is prohibited by the recent decision of the Supreme Court of the United States denying the petition for modification of the decree. It is also provided that the packing companies must report quarterly to the Attorney General what progress is being made in disposing of these stocks, as well as of their interests in corporations and associations.

Harry S. New, former Postmaster General, has been appointed trustee for all the stock owned by Swift & Co. and its subsidiaries in stock-yard companies, and has been directed to try to find purchasers, on terms to be approved by the court.

### OUR TRAFFIC PROBLEMS

*CHARLES E. BLAINE, traffic counsel of the American National Live Stock Association and contributor to The Producer on questions of traffic and transportation, has been absent from his office the greater part of last month, attending hearings before the Interstate Commerce Commission at various cities in connection with Docket No. 17000, and has not had time to prepare his regular monthly review. Next month we hope to be able to furnish a full account of what has been done in that famous case to bring the record down to date.*

Herd Bulls

Range Bulls

PURE-BRED HEREFORD  
CATTLE

PERRY PARK  
RANCH

LARKSPUR, COLORADO

R. P. Lamont, Jr.

Owner

This is one of a series of drawings made on the range by E. W. Thistlethwaite, cow-boy artist.



## “Don’t Be Misled”

**W**ITH the market flooded with off brands of blackleg vaccines whose only recommendations appear to be price, it is more necessary than ever to protect yourselves by using quality products. You’re absolutely assured of utmost protection when you buy a Cutter product. Not only protection as to quality, but because of quality maximum protection to animals. You pay no premium for Cutter Vaccines . . . the standard of the range for thirty-five years.

**ANTHRAX AGGRESSIN—30 cents a dose**

**HEMORRHAGIC SEPTICEMIA AGGRESSIN—10 to 12½ cents a dose**

**BLACKLEG AGGRESSIN—15 cents a dose**

**BLACKLEG BACTERIN—10 cents a dose**

If not available from your veterinarian, Cattlemen’s Association, or drug store agency, order direct.

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# THE MARKETS

## LIVE-STOCK MARKET IN JUNE

BY JAMES E. POOLE

CHICAGO, ILL., July 1, 1932.

**CATTLE TRADE IS IN NO NEED OF THE SERVICES** of an apologist. Its June performance was highly commendable, the eight-dollar quotation being restored and the whole list advancing. During the third week, top prices were pushed upward in a manner calculated to convince even the skeptical that a definite turn had been reached. Confirmation was found on the last Monday of the month in a lively market, on which \$8 to \$8.25 took a considerable proportion of the steer supply, nothing with beef merit selling below \$6.50 per cwt. Heavy cattle realized \$8.25 that on the corresponding day of 1931 were well sold at \$7.50. Yearlings, which sold at a premium over heavy cattle last year, were not able to go the pace, although not far in the rear. Seasonal trends were detected, symptoms of wider spreads developing. A belated movement of grassers, from Texas and elsewhere, made this inevitable. Previously low-grade steers had had the best of the argument, as the proportion of finished steers had been large; but, as the month worked along, it was evident that good cattle had come into their own and were slated for a favorable market the rest of the season. From all the information available, this conclusion is warranted.

### Narrow Spread in Cattle Prices Continues

Owing to the cheapness of corn, a crop of good cattle has been garnered by killers; in fact, complaint of excessive fat has been heard. For a considerable period, or during the first half of June, this was responsible for a narrow spread between common and choice cattle, the latter selling at \$7.25 to \$7.65 per cwt., while \$5.50 to \$5.75 steers were not far removed from common, killers getting few under \$6. Later in the month, when top prices went skyward, buying anything decent in the steer line below \$5.50 was difficult, although a sprinkling of native and Texas grassers sold anywhere from \$4.50 to \$5.25. However, the spread has been narrow for months past—much narrower than it will be the rest of the season.

### Limited Stocks of Beef a Factor

The fact that cattle prices were out of line with the hog market has been recognized right along, the delapidated condition of the swine industry creating concern as to the future of cattle; but about the middle of June the hog market was able to sit up, prices crawling gradually higher, incidentally improving the strategic position of both branches of the industry. A potent factor in advancing cattle prices was curtailed supply of beef, due to a short proportion of heavy cattle, of which the trade can always use a few.

### Market Shows Underlying Strength

Convincing evidence of underlying strength was furnished by the concern exhibited by eastern shippers on Monday, June 27. Explicit instructions had been given buyers to fill orders at lower prices, a strenuous effort in that direction being made, but without results, as a string of \$7.50 to \$8.25

sales attested. In view of low hide prices and the fact that other offal is worthless, this display of strength was gratifying.

### Supply and Demand Well Balanced

Even during what is popularly known as a depression, the dressed-beef market shows a surprising capacity to absorb every pound of available product without balking. There has been, and is, a broad outlet for every type of cattle, from pee-wee grassers and "yellow-hammers" to the best bullocks on the planks. Possibly the presence of a few more would have made this market performance impossible. Rarely have supply and demand been so well balanced, each week's run being tucked away in the coolers without delay. Shippers and small local butchers invariably set the pace.

### Hogs Join in Advance

Hog trade came to life at a critical juncture, when average cost at western markets was below the \$3 line, for which there is no precedent in modern times. At Chicago the top was below \$3.50. By the end of June the top price was within a short distance of \$5, and average cost had crossed the \$4 line. This display of strength could not have been more opportune, as prices had declined to a level calculated to discourage growers. The moment prices showed a disposition to advance, a measure of confidence was restored, supply was shut off, and the dressed-meat market was put on its feet. The week of June 25 witnessed a 50-cent advance in live hogs, and a similar upturn in loins and other fresh cuts all over the country, making firm footing for a higher scale of hoof prices. Reducing slaughter by 100,000 head in a single week proved an effective tonic influence. Pork loins actually went on a \$12 to \$14 basis, compared with \$7 to \$9 at the depth of the depression in May, when consumption was almost at a standstill. If the hog market can be maintained even on the June basis, the condition of the whole fresh-meat trade will be fortified. Slaughter was heavy the first half of the year, so that a moderate run during the rest of 1932 will be logical, as a good corn crop is on the horizon, and at present prices converting it into pork is remunerative. A crop of packing sows will be garnered during the ensuing ninety days, present indications being that killers will be able to handle the product without difficulty. Pork-making furnishes the Corn Belt farmer with an outlet for grain, without which it would be of little value.

## Du-al Fly Spray

Du-al is a dual-purpose spray, having both killing and repellent action when used as directed, against stable and horn flies, and with excellent killing power against many forms of lice, ticks and fleas attacking live stock. Du-al thus appeals especially to livestock growers and for use in dairies where protection of milk cows means so much.

1/4-gal. can.....	\$0.65	1-gal. can.....	\$1.50
1/2-gal. can.....	.90	5-gal. can.....	7.00

Qt. sprayers, 60 cents each; all f.o.b. Denver, Colo.

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### Lambs Working Lower

Lambs have worked down to the lowest basis of the season, or \$6 to \$6.50 per cwt. at Chicago. There will be enough to go around, so that market sentiment is far from bullish, consensus of opinion being that, if the bulk of the crop can be absorbed at such prices, little complaint should be heard. During June the pick of the crop sold at \$7 to \$7.75, Chicago basis, but, as the month worked along, it was evident that adjustment was in progress. Under present conditions, there is little or no demand for feeding lambs east of the Missouri River, nor will that outlet exist until well along in September, when definite conclusions concerning the outcome of the corn crop will be possible. Fat sheep have little actual value, nor is it possible that present prices will improve, ewes selling at \$1.50 to \$2 per cwt., with no reliable demand from any source for the product. As in the case of cattle, the sheep and lamb market is hampered by a dead hide and offal trade, lamb pelts worth \$1.50 to \$2 each during the high period having a normal value of about 15 cents, solely on account of the wool, as skins are worthless.

### MARKET OUTLOOK

J. E. P.

**A**SSERTION THAT THE COMMERCIAL CATTLE-breeder occupies a strong strategic position may arouse skepticism. For many years prediction of impending cattle shortage was ventured at intervals, voicing opinion based on expansion of the sheep industry, dry farming made possible by development of the tractor and the multiple-bottom plow, and necessity for liquidation in many localities. Increasing popularity of light cattle, both steers and heifers, took calves at weaning time direct to the feed-lot, and thence with all possible speed to the shambles. The 1925-31 period reduced

the supply of aged cattle to the smallest volume in the history of the business—at least in recent years; but not until this season has the overweight steer been actually scarce. There will always be a modicum of bullocks weighing 1,200 pounds up, for the reason that a few operators make a practice of carrying them along to maturity; but existing scarcity of that type creates security for the industry.

When the financial situation develops something akin to normalcy, it will be possible to discern what the future has in store. Recent developments have not changed the basic fact that the bulk of the commercial cattle must originate west of the Missouri River and in the Southwest. In the farming areas few breeding ventures are being made. Occasionally a carload of "home-grown" yearlings reaches the market, to arouse interest and furnish an example, although scant inspiration is aroused. A more opportune moment for establishing small farm breeding herds never before existed; but breeding cows of suitable type require investment even at present prices, farmers having little money for that purpose. This condition places responsibility for initiating the bulk of the future beef supply of the country on the West.

Assuming that surplus cattle have gone, and that feeders are dependent on the current year's supply of calves and yearlings to continue their operations, it will be impossible to mature any considerable number of steers for many years, as feed-lot demand will route the annual increase in the direction of the market at the juvenile stage. Passing of the depression will revive purchasing power and provide breeders with easier money, whereupon the time-honored practice of buying young cattle with borrowed funds will revive on an extensive scale. Commercial breeders may be somewhat discouraged at the moment, but their turn will come.

There is encouragement in the fact that feeders are making money—not the almost fabulous profits of the 1926-29 period, but enough to keep them in business. Margins of \$1.50 to \$3 per cwt. on the crop of steers fattened with corn harvested last fall put the farmer-feeder in the saddle. When stock cattle were high, the game was dangerous; at present levels it is the safest manufacturing proposition available.

Temporarily killers are getting little competition from feeders on two-way or fleshy steers, for the reason that the country is short of money, and feeders are not disposed to enter into competition with killers—a practice that inflicted heavy loss a few years back, when cost of fleshy cattle with weight was anywhere from \$10 to \$14 per cwt. At \$5.50 to \$6.50, the feeder operates on a safer basis, especially as his feed bill is low. Of course, corn may advance, that being its logical price trend; but finished cattle could also sell \$1 per cwt. higher, owing to scarcity, revival of purchasing power, improvement in hide and by-product trade, or other bullish influences. The facts are that feeders have made more money during the past six months than in a long time, that beef-making is on a sound basis, and that the trend is upward with respect to prices—possibly downward in a production sense.

Basically, conditions have not changed. The same forces that have always been responsible for price swings and production volume are operating irresistibly. No excess cattle supply exists, nor is anything of that nature possible. Had conditions, industrial and financial, not changed, cattle, both finished and at the stocker stage, would have been worth more money right along. The commercial cattle-breeder is coming into his own. That present demand for stockers is at low ebb emphasizes the fact that North America's beef-production tonnage will further diminish in volume before the pendulum swings in the opposite direction, as it inevitably must.

**You, too—**

A well-known cattleman from Montana, who bought some bulls at WHR in June, said to us: "I never saw cattle with so much bone—just exactly what we want in Montana."

BONE, SIZE, QUALITY go hand in hand with WHR PRINCE DOMINO Herefords.

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HEREFORD BULLS**

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## LIVE STOCK AT STOCK-YARDS

APPENDED ARE TABLES SHOWING RECEIPTS, SHIPMENTS, and slaughter of live stock at sixty-three markets for the month of May, 1932, compared with May, 1931, and for the five months ending May, 1932 and 1931:

## RECEIPTS

	May		Five Months Ending May	
	1932	1931	1932	1931
Cattle*.....	919,314	1,027,199	4,541,960	5,019,734
Calves.....	477,761	523,964	2,265,639	2,493,856
Hogs.....	3,049,739	2,938,117	16,825,592	17,568,217
Sheep.....	2,429,106	2,810,256	11,354,204	11,781,527

## TOTAL SHIPMENTS†

	May		Five Months Ending May	
	1932	1931	1932	1931
Cattle*.....	341,698	408,824	1,724,968	2,055,417
Calves.....	141,714	152,534	644,457	726,040
Hogs.....	853,516	1,098,613	5,463,850	6,577,280
Sheep.....	1,072,339	1,352,868	4,935,500	5,493,080

## STOCKER AND FEEDER SHIPMENTS

	May		Five Months Ending May	
	1932	1931	1932	1931
Cattle*.....	99,108	135,096	525,810	735,495
Calves.....	18,100	18,315	94,528	107,733
Hogs.....	30,698	32,613	161,317	180,825
Sheep.....	99,718	175,993	524,146	756,777

## LOCAL SLAUGHTER

	May		Five Months Ending May	
	1932	1931	1932	1931
Cattle*.....	563,713	607,437	2,770,504	2,921,006
Calves.....	331,536	372,105	1,607,891	1,765,591
Hogs.....	2,187,890	1,840,851	11,348,649	10,985,935
Sheep.....	1,360,016	1,463,715	6,427,183	6,184,485

\*Exclusive of calves.

†Including stockers and feeders.

## PROSPECTS FOR FAT STEERS

J. E. P.

FAT-CATTLE PROSPECTS FOR THE LATTER HALF of 1932 are not unpromising. Beef-trade conditions are not ripe for repetition of what happened late in 1931; and yet some of the wise people express confidence in return of the \$10 quotation. That price spreads will widen as grassers become more plentiful is certain. Visible supply of finished steers is much lighter than a year ago, the probability being that tonnage will be deficient, if not numbers. Underlying strength is indicated by popularity of overweight bullocks lacking quality, which have been able to realize prices within 75 cents of the top. Late in June a drove of overgrown bullocks weighing close to 1,700 pounds sold at \$7.75 on the Chicago market for Boston account, certainty existing that choice heavies will continue to head the price list.

A justifiable criticism of market conditions during the first half of 1932 was that price spreads were illogically narrow; in other words, finished steers did not get their due. As late as early June a spread of \$6 to \$7.25 bought the bulk of the corn-fed cattle. The low end was maintained on an illogically high basis, the difference in actual value between

a \$5.50 and a \$6 animal being negligible. Later there was a pronounced tendency to move top cattle upward, at the same time depressing the cheaper grades, which were obviously out of line.

To what extent the trans-Missouri region will gather grass cattle this season can only be conjectured; that the market will readily absorb every pound of beef is certain. The summer and fall market was charted in June, when legible handwriting appeared on the wall. The underlying situation is sound, weekly beef production is not excessive, and competition among killers is healthy. After resorting to strenuous effort to restrain the rising tendency of the better grades of cattle, killers were forced into competition. Good corn-fed steers could easily be maintained on an \$8 to \$9 basis, while there is sufficient demand for the cheaper grades of cattle—grassers and short-feds—to absorb them at \$5 to \$7, according to what they are.

Southwestern pastures are carrying fewer steers than last year, the Pacific coast is diverting a considerable number that formerly were routed eastward, the Northwest will be deficient at gathering time, and there are fewer steers in the preparation stage all through the Corn Belt states than in many a long day. Meanwhile the whole country is being dragged for anything wearing a hide and capable of conversion into beef. At the present scale of prices, the outlook for fat cattle has not been so luminous since 1926. Not that prices will reach such high levels, but that, considering cost of both cattle and feed, a far healthier situation exists. The crop of steers laid in by feeders last fall and during the first months of 1932 was shipped early and at somewhat lighter weight than heretofore, paving the way for a healthy last-half-year market.

## CONTRACT FEEDING GAINING IN POPULARITY

J. E. P.

NATURALLY, UNDER PRESENT MONETARY CONDITIONS, replacement of cattle in the feed-lot has been restricted. Not only difficulty in securing purchase loans, but the narrow spread between fat steers and the types sus-

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ceptible of early return after a ninety-day feed, has been adverse to activity in this branch of the trade. There has been a demand for thin cattle to utilize grass until new corn is ready, but killers have asserted prior claim to much of the cheaper bovine stuff. During June, traders at the market went into the Southwest, picking up several strings of green cattle, which realized anywhere from \$4 to \$6 per cwt.; but the volume of this business was negligible. Meanwhile cattle have been coming out of feed-lots in a steady procession, without anything like adequate replacement. Sooner or later this must develop a shortage of fat corn-fed cattle, unless even present restricted consumption diminishes, which is improbable.

Indications are that no adequate volume of money will be available this fall to purchase the usual number of cattle for wintering and feeding purposes. In this emergency, some method of financing the industry must be devised, the probability being that what is popularly known as the "contract" system will be utilized. This plan has been tried out in recent years, with reasonable success, in the case of both steers and lambs, a considerable percentage of the fat cattle reaching market this year having been handled in that manner. Naturally there has been an outcropping of dissatisfaction, but no litigation has been recorded, such differences as have arisen between cattle-owners and feeders having been adjusted. A condition has been created during this experimental period making for more satisfactory results by eliminating an incompetent element that merely took advantage of an opportunity to get possession of cattle without investment. Usually placing cattle in feeders' hands to be finished on contract requires the services of a middleman or supervisor, representing the owner. Each week contract cattle are on corn increases their value, and incidentally the interest of the feeder.

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Chicago, Illinois

Overtures have been made to a number of western breeders of standard commercial cattle to participate in a program of this nature. The season is not sufficiently advanced to speculate on the outcome, but it is possible that necessity will assert itself. A Montana man, when asked to place his season's gathering of calves and yearlings in the feed-lot of a well-known Illinois feeder, replied: "My cattle will be sold when they go aboard the cars." At this writing, disposal in that manner will mean acceptance of current prices, which in turn will be determined by monetary conditions at the moment. In any event, it is improbable that many feeders will be able to borrow the entire purchase price of the cattle they need, or that they will be able to furnish any considerable proportion of it themselves. Banks at the monetary centers have been under a continuous, severe strain, and so many interior banks have been folded up that cattle loans are difficult to negotiate.

### COMPARATIVE LIVE-STOCK PRICES

BELOW ARE FIGURES SHOWING PRICES ON THE principal classes and grades of live stock at Chicago on July 1, 1932, compared with June 1, 1932, and July 1, 1931 (per 100 pounds):

	July 1, 1932	June 1, 1932	July 1, 1931
<b>SLAUGHTER STEERS:</b>			
Choice (1,100 to 1,500 lbs.)	\$ 8.15- 8.60	\$ 7.00- 7.75	\$ 7.00- 8.50
Good	7.00- 8.25	6.00- 7.25	6.25- 7.50
Choice (900 to 1,100 lbs.)	8.15- 8.60	7.00- 7.75	7.75- 8.75
Good	7.00- 8.15	6.00- 7.25	7.00- 8.00
Medium (800 lbs. up)	6.00- 7.25	5.25- 6.25	5.75- 7.25
<b>FED YEARLING STEERS:</b>			
Good to Choice	7.00- 8.50	5.85- 7.50	7.25- 8.75
<b>HEIFERS:</b>			
Good to Choice	6.25- 7.50	5.00- 6.00	6.50- 8.00
<b>COWS:</b>			
Good to Choice	3.00- 5.00	3.75- 4.75	4.00- 5.25
<b>CALVES:</b>			
Good to Choice	3.75- 5.00	4.00- 5.00	
<b>FEEDER AND STOCKER STEERS:</b>			
Good to Choice	5.00- 6.25	4.75- 6.00	5.50- 7.00
Common to Medium	3.25- 5.00	3.75- 4.75	4.00- 5.75
<b>HOGS:</b>			
Medium Weights (200 to 250 lbs.)	5.00- 5.15	3.30- 3.55	6.65- 7.15
<b>LAMBS:</b>			
Medium to Choice (92 lbs. down)	4.75- 6.50	5.25- 6.75	5.00- 7.65
<b>EWES:</b>			
Medium to Choice	1.00- 2.25	1.75- 2.25	

### PACKER HIDES FIND OUTLET

J. E. P.

LATE IN JUNE A MOVEMENT OF PACKER HIDES, that practically cleared the big packer accumulation up to March, revived activity. These sales were made largely on a 3 to 3 1/4-cent basis, much of the stuff taken out of salt going into the export outlet; but the mere fact that an outlet has developed is encouraging. Other than for packer hides, the market is practically non-existent, country hides being unable, on a nominal 2 to 2 1/2-cent basis, to pay freight and marketing expense. On the favorable side may be enumerated the lowest prices in trade history, receipt of orders by shoe factories, cutting activity reviving the leather market, revival of men's-shoe demand, and an active trade in women's shoes. Already upper leather is moving out of tanners' hands in increasing quantities, although at low prices. Conditions are decidedly more favorable than for some time past; but whenever an attempt is made to mark prices up, buyers balk. Such demand for leather as exists is for the cheaper grades, illustrating consumer tendency to buy low-cost leather goods, in response to the dictates of economy. Dealers and col-



lectors of country hides are not making their usual rounds, being content to take such material as may be shipped to them. Removing fallen hides has been discontinued.

It is considered improbable that hides can possibly go lower, as depreciation during the past year has been terrific. Spot hides on the New York Exchange have been around 4 to 4½ cents; futures, ¾ cent lower; whereas a year ago 9 cents was the quotation; in 1914, 19 cents; the average for the past forty years being about 16½ cents. There is an optimistic element in this trade, as elsewhere, that confidently sees a gradual advance.

Both beef and lamb are practically minus buyer credit, owing to low prices of hides and pelts, forcing meat to carry the burden. If it were possible to get animals without the covering designed by nature, killers would not complain, as at present skinning costs more than the market price.

### WOOL TRADE STAGNANT

J. E. P.

NO SUBSTANTIAL CHANGES HAVE BEEN REGISTERED in wool prices during the past month. A moderate volume of business is being done at eastern concentration points at unchanged prices. There has been a slight adjustment, medium wools losing half a cent; but, taken as a whole, prices have held close to steady. Such encouragement as the trade sees concerns low prices and occasional active trading. In the West, prices, whether for actual purchase or for advances against consignment, are at the same levels.

A definite upward trend, creating a measure of assur-

ance that, at the present price basis, money may be safely invested in wool, will help. Consumer prices have been fairly well stabilized, warranting broader inquiry. The public has been on a prolonged economy spree, affecting adversely distribution of summer clothing. Shoes must be replaced within a brief period, but the life of a suit of clothes, when the maxim, "A stitch in time saves nine," is observed, is not generally realized. In conversation, the remark, "I haven't bought a suit of clothes in a year," has become commonplace. Women, paying more attention to personal appearance than men, replace wardrobes at more frequent intervals, which accounts for the relatively healthy condition of the feminine side of the trade.

Not only is wool low, but conversion costs have been reduced, and, as this is passed along to consumers, demand will develop. It is a peculiar human trait to buy on a rising but stay out of a falling market—a policy possible where the article or commodity is of the non-urgency consumption type.

Considerable accumulated wool is being consigned to eastern concentration points from the fleece states. Actual sales are on an 8 to 11-cent basis. In Wyoming, buyers have been taking on wool around 9 cents to the grower. Nevada and Utah are consigning on advances ranging from 6½ to 7 cents. Some New Mexico wool has gone east on a 30-cent clean landed basis at Boston.

What the wool market needs is an investment demand. When it develops, prices will work higher.

"I enjoy reading THE PRODUCER, as I always find something of interest concerning the cattle business in every number."—G. B. VAN METER, Tryon, Neb.

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THIS Co-operative Marketing Organization offers opportunity to those in the Live Stock Industry to improve their market and credit situation.

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**The Intermountain Live Stock Marketing Association**

401 Live Stock Exchange Building

Denver, Colorado

## WHOLESALE MEAT PRICES

WHOLESALE PRICES ON WESTERN DRESSED meats at Chicago on July 1, 1932, compared with June 1, 1932, and July 1, 1931, were as below (per 100 pounds):

## FRESH BEEF AND VEAL

STEERS (700 lbs. up):	July 1, 1932	June 1, 1932	July 1, 1931
Choice	\$12.00-13.00	\$10.00-12.00	\$11.00-12.00
Good	11.00-12.00	9.00-10.00	10.50-11.50
STEERS (550 to 700 lbs.):			
Choice	12.00-13.50	10.50-12.50	12.50-13.50
Good	11.50-12.50	9.50-10.50	11.00-12.00
YEARLING STEERS:			
Choice	12.00-13.50	10.50-12.50	13.00-14.50
Good	11.50-12.50	9.50-10.50	12.00-13.00
COWS:			
Good	8.50-9.50	8.50-9.50	9.00-10.00
VEALERS:			
Choice	10.00-11.00	9.00-10.00	13.00-15.00
Good	8.00-10.00	7.00-9.00	11.00-13.00

## FRESH LAMB AND MUTTON

LAMBS (45 lbs. down):			
Choice	\$15.00-16.00	\$14.00-15.00	\$16.00-18.00
Good	14.00-15.00	12.00-14.00	13.00-16.00
EWES:			
Good	7.00-8.00	5.00-7.00	6.00-8.00

## FRESH PORK CUTS

LOINS:			
8-12 lb. average	\$16.00-18.00	\$9.00-10.50	\$16.00-20.00

## HOLDINGS OF FROZEN AND CURED MEATS

BELOW IS A SUMMARY OF STORAGE HOLDINGS OF frozen and cured meats, lard, creamery butter, and eggs on June 1, 1932, as compared with June 1, 1931, and average holdings on that date for the past five years (in pounds except where otherwise given):

Commodity	June 1, 1932	June 1, 1931	Five-Year Average
Frozen beef	22,170,000	31,195,000	34,072,000
Cured beef*	13,174,000	18,253,000	19,117,000
Lamb and mutton	1,039,000	2,371,000	2,391,000
Frozen pork	224,778,000	244,745,000	235,891,000
Dry salt pork*	127,601,000	148,682,000	147,770,000
Pickled pork*	436,413,000	434,324,000	432,523,000
Miscellaneous	58,809,000	79,331,000	74,156,000
Totals	883,984,000	958,901,000	945,900,000
Lard	129,328,000	103,366,000	140,035,000
Butter	29,293,000	35,155,000	31,052,000
Frozen eggs	95,097,000	106,607,000	84,923,000
Eggs (in cases)	5,379,000	7,887,000	8,180,000

\*Cured or in process of cure.

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## TRADE REVIEW

## FOREIGN TRADE IN MAY

UNDER THE INFLUENCE OF CONTINUED WORLD depression, with a majority of countries restricting their imports, the foreign commerce of the United States for May showed further declines, although less pronounced than in previous months. Preliminary figures for May and the five months ending May, 1932, compared with the same periods a year ago, are given as below:

	May		Five Months Ending May	
	1932	1931	1932	1931
Exports	\$132,000,000	\$203,970,000	\$726,428,000	\$1,128,958,000
Imports	112,000,000	179,694,000	636,254,000	934,153,000
Excess of exports	\$ 20,000,000	\$ 24,276,000	\$ 90,174,000	\$ 194,805,000

## EXPORTS OF MEAT PRODUCTS

EXPORTS OF MEAT, MEAT PRODUCTS, AND ANIMAL fats from the United States for the month of May and the five months ending May, 1932 and 1931, were as below (in pounds):

## BEEF PRODUCTS

	May		Five Months Ending May	
	1932	1931	1932	1931
Beef, fresh	110,129	147,691	690,045	1,025,469
Beef, pickled	1,581,396	1,141,953	4,610,308	4,025,340
Beef, canned	135,027	178,279	448,363	708,818
Oleo oil	3,061,303	4,337,495	17,854,466	21,705,079
Totals	4,887,855	5,805,418	23,603,182	27,464,706

## PORK PRODUCTS

	May		Five Months Ending May	
	1932	1931	1932	1931
Pork, fresh	742,899	458,899	3,542,109	4,019,370
Pork, pickled	1,377,108	1,167,597	6,600,919	7,081,103
Bacon	1,485,167	2,387,904	6,897,644	19,334,927
Cumberland sides	146,937	118,432	334,347	721,283
Hams and shoulders	7,516,177	9,969,383	24,764,486	37,717,879
Sausage, canned	61,951	61,062	502,536	475,214
Lard	41,083,754	39,621,745	246,826,654	280,426,828
Lard compounds	37,928	159,659	361,541	681,698
Neutral lard	434,878	891,611	2,706,152	4,494,849
Totals	52,886,799	54,836,292	292,536,388	354,953,151

## Irish Free State Puts Duty on Meat

The Irish Free State has placed a tariff of 12 cents a pound on imported beef, mutton, lamb, veal, poultry, and game, with an imperial preference of 8 cents a pound. Tinned meats are exempted.

## Northern Ireland to Regulate Live-Stock Supplies

The government of Northern Ireland is preparing a bill aimed at preventing either gluts or shortages of live stock, and eventually at stabilizing supplies and, to some extent, prices.



# FOREIGN

## ENGLISH LIVE-STOCK LETTER

BY JOSEPH RAYMOND

[Special Correspondence to The Producer]

LONDON, June 17, 1932.

**AS WILL BE READILY UNDERSTOOD, THE PRESENT** position of the British live-stock industry is dominated by politics. With the price index number for fat cattle at only 20 per cent above the level of the pre-war triennial period, and that of fat sheep at only 7 per cent above, farmers in this country have turned their eyes to the possibilities which many expect from fiscal readjustments resulting from the forthcoming Ottawa conference.

The fact that meat import taxes and quotas are "in the air" only faintly conveys the struggle going on in farmers' minds and between the several schools of thought in the live-stock trade.

The British government, through the Ministry of Agriculture, pledged to foster the English farming industry, proposes to give home producers the medicine of trade reorganization with the jam of tariffs or quotas. The farmers, or a large section of them, have declared that they do not want the government's reorganization, but that, as drowning men, they desire protection. Between the home meat industry and meat import taxes stands the working-class vote of the country, and it is the fear of the latter that has led the government to broadcast the hint that the Ottawa conference may not produce those preferential tariffs against foreign meat imports that British Dominion interests and others look for.

The National Farmers' Union, through one of its official mouthpieces, has said:

"A 10 per cent tariff on foreign meat might satisfy the secretary of the Agricultural party [a group of farmers in Norfolk]; it will not satisfy the needs of the live-stock industry in England and Wales. We may hope, no doubt, to secure a more comprehensive scheme of tariffs on meat from all sources after the Ottawa conference, but no scale of duties which Parliament is likely to accept would give the home producer that stability in the home market which he must have if he is to pay his way. Hence the need for the quantitative regulation of imports as well."

The strong representation of home producing interests in the English press calls forth a majority of approval of limitation of foreign meat imports in favor of the development of home resources, but such a pre-eminently authoritative daily organ at the London Times says:

"Since, with the exception of canned meats and meat essences, the various forms of meat and pig products are all on the free list of the Import Duties Act, it must be assumed that the government will consider it no light matter to afford protection to the graziers of the United Kingdom or preference to Empire meat supplies."

Meanwhile, the British Ministry of Agriculture proceeds with its campaign for the establishment of meat-marketing revision and centralization. Its official meat expert declares in favor of a universal system for the sale of fat stock on a dead-weight basis. This would involve the centralization of slaughtering. He contends that, if there were in this country a system of centralized abattoirs, sufficient in num-

ber and suitably situated, there would be an end to most marketing difficulties. A committee appointed by the Imperial Economic Committee has been making investigations on the question of centralized slaughtering, and its report is expected to be published shortly.

During the past month South Africa has sent to London three shipments of meat designed to show her capabilities in placing fresh meat on the English market. Two of these shipments were chilled beef quarters, both of which, owing to carefully regulated transit and shipping arrangements, reached their destination in first-class condition, after a three-weeks' voyage. Some of the meat was from Red Poll and Hereford stock, crossed with native animals, and the best of the arrivals sold on Smithfield market at only 1 cent less than the usual run of South American chilled meat marketed in London. South Africa is not expected to have any considerable quantities of beef available for trade of the chilled class in Britain for years to come. Two noteworthy features of the experiment were the successful carriage of some of the beef on a three-days' journey from Pretoria to Cape Town in a railway refrigerator car cooled by means of roof ice-and-salt tanks, which kept the temperature steady the whole journey within a range of from 30½ to 32 degrees in a hot climate; also a revised air battery system fitted on the ships which, with a greater volume of air in the initial cooling, improved the condition of the consignments.

## NOTES FROM FOREIGN LANDS

### World's Cotton Crop

Figures released by the Bureau of Agricultural Economics give the world's total cotton production during the 1931-32 season as 27,500,000 bales—the second largest crop on record. In 1930-31, 25,800,000 bales were produced.

### Producers in Australia Giving Sheep Away

Australian sheep-raisers have recently been offering to give their sheep away, if the exporter will pay the railroad charges from the ranches. Such conditions have never prevailed before, says the London *Daily Telegraph*. "Should Australia experience a dry period, tens of millions of sheep must be left to perish."

### Russian Sheep Molt Their Wool

According to the London *Times*, the Soviet Commissariat of Light Industry states that the fleeces of sheep and the fur of rabbits in Russia are now being gathered four times a year. A new method of "artificial molting" is said to have made shearing obsolete. In an effort to remedy the meat shortage, the Soviet authorities are proposing to mobilize the rabbit industry.

### French Quota System on American Imports Modified

Revision of the rules for the operation of the quota system on imports of industrial products into France has increased allotments on certain United States manufactures. Representatives of American industries will be given an opportunity to take part in negotiations relating to the fixing of quotas. The United States has been assured most-favored-nation treatment.

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—Oat, Bran, Cottonseed Meal, etc. Write us for  
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Pearlstone Street, Dallas, Texas.

# THE BULLETIN BOARD

## OREGON GRAZING LAW UNCONSTITUTIONAL

In 1923 the Oregon Legislature passed a "County Grazing District Act," providing for the creation of grazing districts on petition of twenty freeholders in any particular county. Upon formation of a district, an election was to be held to decide whether or not a licensing system should be put into force. If such a system were established, it became a crime to graze live stock without a license. Residents of the district were given prior rights.

Malheur County was the first, and so far the only, county to adopt the plan. Parts of this county had for many years been used for grazing by residents of the adjoining State of Idaho, who would now be excluded. They took the matter to the courts, and the Supreme Court of Oregon recently declared the law unconstitutional.

## NEVADA GRAZING LAW UPHELD

Constitutionality of the Nevada grazing law of 1931 was upheld in a decision rendered last month by the District

Court of Winnemucca. This law makes it a crime to graze live stock on any part of the public domain when such grazing interferes with the customary use by a person who has become established by operation of law or in accordance with custom. The court held that, since grazing on the public range is merely by sufferance, restriction of grazing privileges by state law does not deprive anyone of his rights, and that the state, by exercise of its police power, may regulate grazing until Congress assumes control.

## CATTLEMEN OF SOUTHERN OREGON ORGANIZE

Formation of the Southern Oregon Live Stock Marketing Association, which proposes to market all its cattle through the Western Cattle Marketing Association, with headquarters at San Francisco, has been announced. The new organization is composed of a majority of large operators in southern Oregon.

## MONTANA MEATS FOR CALIFORNIA

In the face of numerous protests, the Interstate Commerce Commission has refused to suspend the new rate of \$1 per 100 pounds on fresh meats from Butte, Montana, to Oakland and San Francisco. The old rate was \$1.58½. Taking advantage of the lower rate, the Hansen Packing Company of Butte has installed extensive equipment for quick-freezing or frosting of fresh meats, for shipment to the coast towns.

## PRESIDENT MCKINNEY RESIGNS

Dan C. McKinney, last February elected president of the Arizona Cattle Growers' Association, has resigned from that position to become field representative of the Federal Intermediate Credit Bank at Berkeley, California. His duties as president of the association will be taken over by Manford Cartwright, first vice-president.

**HARDY ALFALFA SEED, \$5.00;**  
Grimm Alfalfa, \$7.00; White Sweet Clover, \$3.00. All 60-lb. bushel. Track Concordia. Return seed if not satisfied. **GEORGE BOWMAN, Concordia, Kansas.**

**NAVAJO SADDLE BLANKETS**, which a few years ago were \$1.25 per pound, now 75 cents. Average about five pounds each. Decline in Navajo rugs proportionately. Write for details. **Babbitt Brothers, Indian Traders, Flagstaff, Arizona.**



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